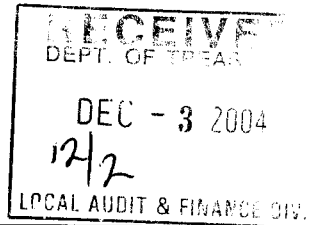


Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.



Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name GREEN OAK TOWNSHIP	County LIVINGSTON
Audit Date 6/30/04	Opinion Date 9/22/04	Date Accountant Report Submitted to State: 12/1/04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

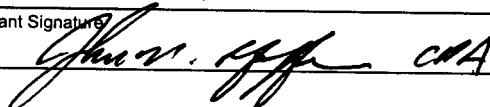
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- | | |
|---|---|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95). |

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	✓		
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) PFEFFER, HANNIFORD & PALKA, P.C.			
Street Address 225 E. GRAND RIVER, STE. 104	City BRIGHTON	State MI	ZIP 48116
Accountant Signature 		Date 12/1/04	

GREEN OAK TOWNSHIP

TOWNSHIP OFFICIALS

Supervisor - Mark St. Charles
Clerk - Michael Sedlak
Treasurer - William Desmond

BOARD OF TRUSTEES

Philip Berg
William Desmond
Rollin Green
William Palmer
Michael Sedlak
Mark St. Charles
Frederick Seymour

TOWNSHIP ATTORNEY

Connelly, Crowley, Groth & Seglund

TOWNSHIP AUDITORS

Pfeffer, Hanniford & Palka
Certified Public Accountants

TABLE OF CONTENTS

PAGE NUMBER

INDEPENDENT AUDITORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

10

BASIC FINANCIAL STATEMENTS

GOVERNMENTAL-WIDE FINANCIAL STATEMENTS

Statement of Net Assets

19

Statement of Activities

20

FUND FINANCIAL STATEMENTS

Balance Sheet - Governmental Funds

22

Reconciliation of Statement of Net Assets of Governmental Funds to the
Balance Sheet

23

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds

24

Reconciliation of Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities

25

Statement of Net Assets - Proprietary Funds

26

Statement of Revenues, Expenses and Changes in Fund Net Assets -
Proprietary Funds

27

Statement of Cash Flows - Proprietary Funds

28

NOTES TO FINANCIAL STATEMENTS

30

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual

51

SPECIAL POLICE FUND

Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual

52

SCHEDULES OF PENSION FUNDING PROGRESS (UNAUDITED)

53

TABLE OF CONTENTS

PAGE NUMBER

SUPPLEMENTARY INFORMATION

COMBINING FINANCIAL STATEMENTS

All Special Revenue Funds - Combining Balance Sheet	56
All Debt Service Funds - Combining Balance Sheet	58
All Capital Projects Funds - Combining Balance Sheet	59
All Enterprise Funds - Combining Balance Sheet	60
All Fiduciary Funds - Combining Balance Sheet	61
All Special Revenue Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	62
All Debt Service Funds - Combining Statement of Revenues Expenditures and Changes in Fund Balances	64
All Capital Projects Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	65
All Enterprise Funds - Combining Statement of Revenues, Expenses and Changes in Retained Earnings	66
All Enterprise Funds - Combining Statement of Cash Flows	67

INDIVIDUAL FUNDS

GENERAL FUND

Balance Sheet	70
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	71
Statement of Revenues - Budget and Actual	72
Statement of Expenditures - Budget and Actual	73

BUILDING DEPARTMENT FUND

Balance Sheet	82
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	83

CEMETERY PERPETUAL CARE FUND

Balance Sheet	85
Statement of Revenues, Expenditures and Changes in Fund Balance	86

FIRE FUND

Balance Sheet	88
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	89
Statement of Expenditures - Budget and Actual	90

TABLE OF CONTENTS

	PAGE NUMBER
SPECIAL FIRE CAPITAL FUND	
Balance Sheet	92
Statement of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual	93
FIRE CAPITAL VEHICLE AND EQUIPMENT FUND	
Balance Sheet	95
Statement of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual	96
SPECIAL POLICE FUND	
Balance Sheet	98
Statement of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual	99
Statement of Expenditures - Budget and Actual	100
POLICE DEPARTMENT CAPITAL VEHICLE AND EQUIPMENT FUND	
Balance Sheet	102
Statement of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual	103
POLICE SPECIAL INVESTIGATION FUND	
Balance Sheet	105
Statement of Revenues, Expenditures and Changes in Fund	
Balance	106
BUDGET STABILIZATION FUND	
Balance Sheet	108
Statement of Revenues, Expenditures and Changes in Fund	
Balance	109
STORM WATER FUND	
Balance Sheet	111
Statement of Revenues, Expenditures and Change in Fund	
Balance	112
ROAD IMPROVEMENT FUND	
Balance Sheet	114
Statement of Revenues, Expenditures and Changes in Fund	
Balance	115
LAND DEVELOPMENT FUND	
Balance Sheet	117
Statement of Revenues, Expenditures and Changes in Fund	
Balance	118

TABLE OF CONTENTS

PAGE NUMBER

SILVER FOX TRAIL PAVING FUND	
Balance Sheet	120
Statement of Revenues, Expenditures and Changes in Fund Balance	121
RIVERSIDE DRIVE ROAD MAINTENANCE FUND	
Balance Sheet	123
Statement of Revenues, Expenditures and Changes in Fund Balance	124
STREET LIGHT FUND	
Balance Sheet	126
Statement of Revenues, Expenditures and Changes in Fund Balance	127
METRO ACT FUND	
Balance Sheet	129
Statement of Revenues, Expenditures and Changes in Fund Balance	130
ORE LAKE DEBT SERVICE FUND	
Statement of Revenues, Expenditures and Changes in Fund Balance	132
BRIGGS LAKE DEBT SERVICE FUND	
Statement of Revenues, Expenditures and Changes in Fund Balance	134
VIKING LANE DEBT SERVICE FUND	
Balance Sheet	136
Statement of Revenues, Expenditures and Changes in Fund Balance	137
PHEASANT LAKE DEBT SERVICE FUND	
Balance Sheet	139
Statement of Revenues, Expenditures and Changes in Fund Balance	140
BUILDING AUTHORITY DEBT SERVICE FUND	
Balance Sheet	142
Statement of Revenues, Expenditures and Changes in Fund Balance	143
SEWER IMPROVEMENT CAPITAL PROJECTS FUND	
Balance Sheet	145
Statement of Revenues, Expenditures and Changes in Fund Balance	146
CENTENNIAL FARMS CAPITAL PROJECTS FUND	
Balance Sheet	148
Statement of Revenues, Expenditures and Changes in Fund Balance	149

TABLE OF CONTENTS

PAGE NUMBER

BUILDING AUTHORITY CAPITAL PROJECTS FUND	
Statement of Revenues, Expenditures and Changes in Fund Balance	151
WATER SYSTEM CAPITAL PROJECTS FUND	
Balance Sheet	153
Statement of Revenues, Expenses and Changes in Fund Balance	154
SAXONY WATER FUND	
Balance Sheet	156
Statement of Revenues, Expenses and Changes in Retained Earnings	157
Statement of Cash Flows	158
CENTENNIAL FARMS FUND	
Balance Sheet	160
Statement of Revenues, Expenses and Changes in Retained Earnings	161
Statement of Cash Flows	162
REICK'S FARMS FUND	
Balance Sheet	164
Statement of Revenues, Expenses and Changes in Retained Earnings	165
Statement of Cash Flows	166
HIDDEN LAKE SEWER FUND	
Balance Sheet	168
Statement of Revenues, Expenses and Changes in Retained Earnings	169
Statement of Cash Flows	170
TRI-LAKES SEWER DISTRICT FUND	
Balance Sheet	172
Statement of Revenues, Expenses and Changes in Retained Earnings	173
Statement of Cash Flows	174
CURRENT TAX COLLECTION FUND	
Balance Sheet	176
TRUST AND AGENCY FUND	
Balance Sheet	178

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PFEFFER • HANNIFORD • PALKA

Certified Public Accountants

John M. Pfeffer, C.P.A.
Patrick M. Hanniford, C.P.A.
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Members:

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MACPA

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Brighton, Michigan 48116-1575

(810) 229-5550
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September 22, 2004

Board of Trustees
Green Oak Township
10001 Silver Lake Road
Brighton, Michigan 48116

INDEPENDENT AUDITORS' REPORT

Honorable Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Green Oak Township, as of and for the year ended June 30, 2004, which collectively comprise the Green Oak Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Green Oak Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Green Oak Township, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, the Township has implemented a new financial reporting model as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as of June 30, 2004.

The Management's Discussion and Analysis and other required supplementary information on pages 10 through 16 and 51 through 53 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Green Oak Township's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information, such as the combining and individual fund statements, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Pfeffer, Hanniford & Palka, P.C.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

MANAGEMENT DISCUSSION
AND
ANALYSIS

Management Discussion and Analysis June 30, 2004

Within this section of Green Oak Township's annual financial report, the Township's management is providing a narrative discussion and analysis of the financial activities of the Township for the fiscal year ended June 30, 2004. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Township's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Township's basic financial statements. The basic financial statements include government-wide financial statements, fund financial statements, and notes to the financial statements. The Township also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The Township's annual reports include two government-wide financial statements. These statements provide both long-term and short-term information about the Township's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Assets. This is the Township-wide statement of position presenting information that includes all the Township's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Township as a whole is improving or deteriorating. Evaluation of the overall health of the Township may extend to various non-financial factors as well.

The second government-wide statement is the Statement of Activities which reports how the Township's net assets changed during the current fiscal year. The design of this statement is to show the financial reliance of the Township's distinct activities or functions on the revenues generated by the Township.

Both government-wide financial statements distinguish governmental activities of the Township that are principally supported by taxes and revenue sharing, and from the business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include such activities as general government, public safety, and planning and zoning departments. Business-type activities include water & sewer system operations. Fiduciary activities such as tax collection are not included in the government-wide statements since these assets are not available to fund Township programs.

The Township's financial reporting includes all the funds of the Township (primary government) and, additionally, organizations for which the Township is accountable (component units).

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Township uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Township's most significant funds rather than the Township as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the combining statements later in this report.

The Township has three kinds of funds:

Governmental funds are reported in the financial statements and encompass essentially the same functions as governmental activities in the government-wide financial statements except with a different focus on the financial activity. These statements report short-term fiscal accountability focusing on the use of available resources and balances of these resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the focus of the government-wide financial statements includes a long-term view, a reconciliation of these fund balances has been completed to detail its relation to net assets.

Proprietary funds are reported in the fund financial statements and are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Fiduciary funds are reported in the fiduciary fund financial statements, but are excluded from the government-wide statements. Fiduciary fund financial statements report resources that are not available to fund Township activities.

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of both the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Other supplementary information includes detail by fund for receivables, payables, transfers, and payments within the reporting entity.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and statements for individual fund activity are presented in a subsequent section of this report.

The Township as a Whole - Government-Wide Financial Analysis

The Township has implemented the new financial reporting model used in this report beginning with the current fiscal year ended June 30, 2004. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Township as a whole.

The Township's net assets at the end of the fiscal year was \$30,829,660. This is a \$8,966,429 increase over last year's net assets of \$21,863,231.

The following tables provide a summary of the Township's financial activities and changes in net assets:

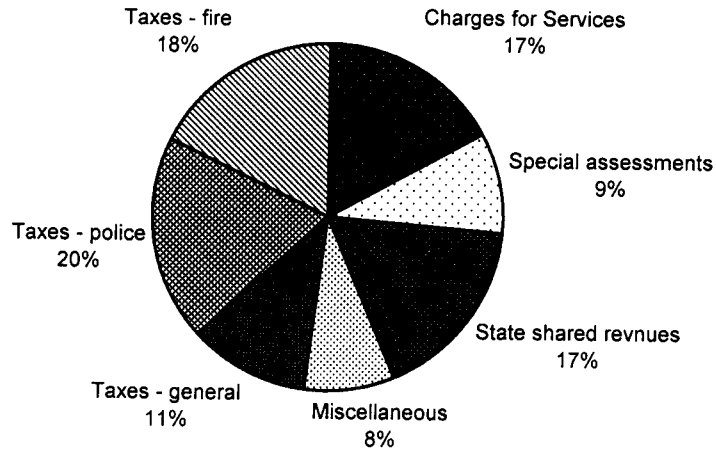
Summary of Net Assets

	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 11,328,358	\$ 29,051,554	\$ 40,379,912
Capital assets	5,357,315	17,676,969	23,034,284
Total assets	<u>16,685,673</u>	<u>46,728,523</u>	<u>63,414,196</u>
Other liabilities	477,537	87,649	565,186
Long-term liabilities	10,269,350	21,750,000	32,019,350
Total liabilities	<u>10,746,887</u>	<u>21,837,649</u>	<u>32,584,536</u>
Net assets:			
Invested in capital assets, net of related debt	2,657,870	1,824,954	4,482,824
Restricted	819,859		819,859
Unrestricted	2,461,057	23,065,920	25,526,977
Total net assets	<u>\$ 5,938,786</u>	<u>\$ 24,890,874</u>	<u>\$ 30,829,660</u>

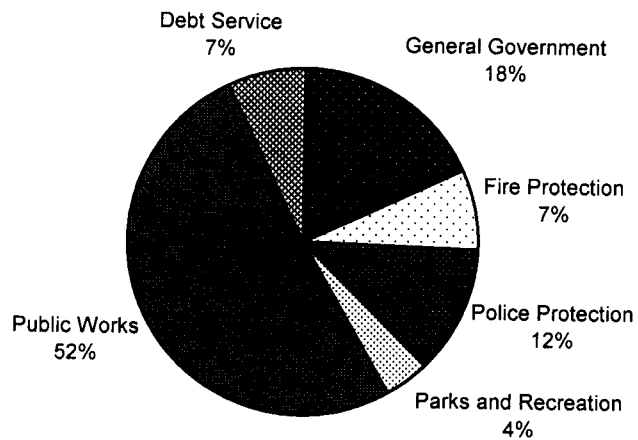
Summary of Changes in Net Assets

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues			
Charges for services	\$ 1,362,266	\$ 124,245	\$ 1,486,511
Operating contributions	6,840,324		6,840,324
Capital contributions		7,537,089	7,537,089
General revenues			
State shared revenues	1,034,421		1,034,421
Property taxes	2,881,235		2,881,235
Other	266,924	143,070	409,994
Total revenues	<u>12,385,170</u>	<u>7,804,404</u>	<u>20,189,574</u>
Expenses			
General government	2,047,939		2,047,939
Public safety	2,212,606		2,212,606
Parks and recreation	69,137		69,137
Public works	462,054		462,054
Interest on long-term debt	419,314		419,314
Water system	5,198,217	99,893	5,298,110
Sewer system		713,985	713,985
Total expenses	<u>10,409,267</u>	<u>813,878</u>	<u>11,223,145</u>
Increase	1,975,903	6,990,526	8,966,429
Beginning net assets	<u>3,962,883</u>	<u>17,900,348</u>	<u>21,863,231</u>
Ending net assets	<u><u>\$ 5,938,786</u></u>	<u><u>\$ 24,890,874</u></u>	<u><u>\$ 30,829,660</u></u>

Governmental Revenues



Governmental Fund Expenditures



The overall financial status of the governmental funds improved by an increase of net assets of \$1,975,903 for the year ended June 30, 2004. The substantial increase in net assets can be attributed in part to special assessments assessed, totaling \$6,789,600, to finance the repayment of water bonds. The Township issued \$6,025,000 of special assessment bonds to finance the Township's participation in a joint venture with surrounding townships to construct a water system.

The governmental funds purchased a total of \$589,894 of assets during the year ended June 30, 2004. This total includes \$389,705 spent for park land development, and \$137,265 for new fire fighting equipment. No additional debt was undertaken to acquire these assets.

The business-type funds increased its net assets by \$6,990,526 for the year ended June 30, 2004. Much like the governmental funds, \$7,537,089 of special assessment revenue is included with the current year activity. Business-type funds increased its net assets, however, the total operating loss of business-type activities totaled 241,459 for the year.

The business-type funds issued \$13,435,000 of special assessment bonds to finance the construction of a sewer system. Total construction in progress to date has totaled \$8,509,727.

Financial Analysis of the Township's Funds

The Township has determined it had 3 major governmental funds for the year ended June 30, 2004. These funds included the General Fund, Special Police Fund, and the Water System Capital Projects Fund.

The General Fund's fund balance increased \$119,934 from the prior year to bring its fund balance up to \$1,339,380. Despite the drop in revenue sharing payments and operating transfers to the Special Police fund, the General Fund increased its fund balance.

The Special Police Fund increased its fund balance by \$76,788 to bring it to \$111,193 for the year ended June 30, 2004. This fund did receive \$200,000 as a transfer in from the General Fund and transferred \$84,000 into the police department's capital outlay funds.

The final major fund, the Water System Capital Projects Fund, had significant activity for the year ended June 30, 2004. Bonds were sold totaling \$6,025,000 to finance the Township's involvement in the Livingston Community Water Authority. A total of \$5,714,932 have been spent as of June 30, 2004, to finance this project to be repaid by the \$6,789,600 that were levied to repay these bonds.

The Township has determined it had 2 major business-type funds for the year ended June 30, 2004. These funds included the Hidden Lake Sewer Fund and the Tri-Lakes Sewer Fund.

The Hidden Lake Sewer Fund decreased its retained earnings by \$126,762 due to the lack of users currently using the system. Only \$25,377 of sewer usage billings were earned during the year, with \$213,411 being expensed as depreciation for the system. This disparity will ultimately reverse with the additions of new users.

The Tri-Lakes Sewer Fund is a system currently under construction. A total of \$8,509,727 were spent during the year to construct the system. This system is being financed by a previous bond sale, and an additional \$13,645,700 that was issued during the year ended June 30, 2004. Special assessment districts were set up to repay these bonds.

General Fund Budgetary Highlights

The General Fund's budget was adopted prior the start of the fiscal year ended June 30, 2004. However, several amendments were made during the year to bring it closer to economic reality. The General Fund exceeded budgeted appropriations in the planning commission activity.

Significant amendments made during the year included: 1) Increasing the charges for services revenues due to the summer tax collection fees being charged, and 2) Increasing the expenditures allocated to roads due to expanded road projects.

Capital Asset and Debt Administration

The Township had considerable capital asset and debt activity for the year. Both governmental and business-type funds added significant amounts of these activities.

Governmental fund capital asset activity totaled \$589,894 with \$137,265 purchased for fire equipment, and \$378,705 used in park land development.

During the fiscal year ended, June 30, 2004 the Township added \$6,025,000 of long-term debt related to the sale of bonds for the Township's participation in the Livingston Community Water Authority. No debt was extinguished during the fiscal year.

The business-type funds sold \$13,435,000 of bonds during the fiscal year to finance the \$8,509,727 it spent in constructing a new sewage treatment system. The balance of this bond sale is expected to be spent in the next fiscal year to complete construction.

Economic Conditions and Future Activities

The Special Police Fund has received an increase in the millage rate for the subsequent fiscal periods, so the General Fund is not anticipating having to make operating transfers to this fund.

The Township is continuing construction of its sewer system for Tri-Lakes residents, and anticipates significant expenditures in the fiscal year ending June 30, 2005.

Contacting the Township's Financial Management

This report is designed to provide a general overview of the Township's financial position and comply with finance-related regulations. If you have any further questions about this report or request additional information please contact Green Oak Township at 10001 Silver Lake Road, Brighton, MI 48116.

Signature

Date

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL
STATEMENTS

GREEN OAK TOWNSHIP
STATEMENT OF NET ASSETS
JUNE 30, 2004

	Primary Government		
	Governmental	Business-	
	Activities	type	
		Activities	Total
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ 4,279,915	\$ 7,441,140	\$ 11,721,055
Receivable			
Taxes	68,564		68,564
Special assessments	6,587,873	21,528,671	28,116,544
State shared revenues	347,781		347,781
Accounts	36,201	30,557	66,758
Prepaid expenditures	8,024		8,024
Bond issuance costs, net		51,186	51,186
Capital assets:			
Land	598,917	2,763,227	3,362,144
Buildings and improvements	3,798,627		3,798,627
Sewer systems		8,527,612	8,527,612
Water systems		290,242	290,242
Vehicles and equipment	2,561,403		2,561,403
Construction in progress		7,038,070	7,038,070
Less accumulated depreciation	(1,601,632)	(942,182)	(2,543,814)
Total assets	<u>16,685,673</u>	<u>46,728,523</u>	<u>63,414,196</u>
<u>LIABILITIES</u>			
LIABILITIES			
Accounts payable	179,895	15,400	195,295
Accrued liabilities	112,994	72,249	185,243
Accrued absences	184,648		184,648
Contracts payable	153,905		153,905
Capital lease payable	724,445		724,445
Bonds payable	<u>9,391,000</u>	<u>21,750,000</u>	<u>31,141,000</u>
Total liabilities	<u>10,746,887</u>	<u>21,837,649</u>	<u>32,584,536</u>
<u>NET ASSETS</u>			
NET ASSETS			
Invested in capital assets, net of related debt	2,657,870	1,824,954	4,482,824
Restricted for:			
Debt service	68,369		68,369
Capital projects	751,490		751,490
Unrestricted	<u>2,461,057</u>	<u>23,065,920</u>	<u>25,526,977</u>
Total net assets	<u>\$ 5,938,786</u>	<u>\$ 24,890,874</u>	<u>\$ 30,829,660</u>

The notes of the financial statements are an integral part of this statement
PFEFFER • HANNIFORD • PALKA
Certified Public Accountants

GREEN OAK TOWNSHIP
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities				
General government	\$ (2,047,939)	\$ 1,126,418	\$	\$
Fire protection	(871,882)	1,898	50,724	
Police protection	(1,340,724)	23,805		
Parks and recreation	(69,137)			
Public works	(5,660,271)	210,145	6,789,600	
Interest on long-term debt	<u>(419,314)</u>			
Total governmental activities	<u>(10,409,267)</u>	<u>1,362,266</u>	<u>6,840,324</u>	
Business-type activities				
Water	(99,893)	98,868		
Sewer	<u>(713,985)</u>	<u>25,377</u>		<u>7,537,089</u>
Total business-type activities	<u>(813,878)</u>	<u>124,245</u>		<u>7,537,089</u>
Total	<u>\$ (11,223,145)</u>	<u>\$ 1,486,511</u>	<u>\$ 6,840,324</u>	<u>\$ 7,537,089</u>

General revenues
Property taxes
State shared revenues
Unrestricted investment earnings
Other income

Total general revenues

Changes in net assets

Net assets, July 1, 2003

Net assets, June 30, 2004

Net (Expenses) Revenue and Changes

Net Assets

Governmental Activities	Business- type Activities	Total
\$ (921,521)	\$	\$ (921,521)
(819,260)		(819,260)
(1,316,919)		(1,316,919)
(69,137)		(69,137)
1,339,474		1,339,474
<u>(419,314)</u>		<u>(419,314)</u>
<u>(2,206,677)</u>		<u>(2,206,677)</u>
	(1,025)	(1,025)
	<u>6,848,481</u>	<u>6,848,481</u>
	<u>6,847,456</u>	<u>6,847,456</u>
2,881,235		2,881,235
1,034,421		1,034,421
69,803	143,070	212,873
<u>197,121</u>		<u>197,121</u>
<u>4,182,580</u>	<u>143,070</u>	<u>4,325,650</u>
1,975,903	6,990,526	8,966,429
<u>3,962,883</u>	<u>17,900,348</u>	<u>21,863,231</u>
<u>\$ 5,938,786</u>	<u>\$ 24,890,874</u>	<u>\$ 30,829,660</u>

FUND
FINANCIAL
STATEMENTS

GREEN OAK TOWNSHIP
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2004

	General	Special Police	Water System Capital Projects	Other Non-major Funds	Total
<u>ASSETS</u>					
ASSETS					
Cash and cash equivalents	\$ 991,389	\$ 98,816	\$ 653,008	\$ 2,536,702	\$ 4,279,915
Receivables					
Special assessments			6,437,040	150,833	6,587,873
Taxes	9,679	25,432		33,453	68,564
State shared revenues	347,781				347,781
Accounts	20,298			5,733	26,031
Due from other funds	10,170				10,170
Prepaid expenditures	909	5,161		1,954	8,024
Total assets	<u>\$ 1,380,226</u>	<u>\$ 129,409</u>	<u>\$ 7,090,048</u>	<u>\$ 2,728,675</u>	<u>\$ 11,328,358</u>
 <u>LIABILITIES AND FUND BALANCE</u>					
LIABILITIES					
Accounts payable	\$ 25,695	\$ 9,662	\$ 2,095	\$ 133,790	\$ 171,242
Accrued wages and taxes	11,705	8,554		5,139	25,398
Due to others	3,446				3,446
Due to other funds				5,207	5,207
Deferred revenues			6,437,040	93,616	6,530,656
Total liabilities	<u>40,846</u>	<u>18,216</u>	<u>6,439,135</u>	<u>237,752</u>	<u>6,735,949</u>
FUND BALANCE					
Unreserved	1,339,380			437,416	1,776,796
Designated		111,193		1,985,138	2,096,331
Reserved for debt service				68,369	68,369
Reserved for water system			650,913		650,913
Total fund balances	<u>1,339,380</u>	<u>111,193</u>	<u>650,913</u>	<u>2,490,923</u>	<u>4,592,409</u>
Total liabilities and fund balances	<u>\$ 1,380,226</u>	<u>\$ 129,409</u>	<u>\$ 7,090,048</u>	<u>\$ 2,728,675</u>	<u>\$ 11,328,358</u>

The notes of the financial statements are an integral part of this statement.

GREEN OAK TOWNSHIP
RECONCILIATION OF STATEMENT OF NET ASSETS
OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
JUNE 30, 2004

Amounts reported for governmental activities in the Statement
of Net Assets are different because:

Total fund balance per balance sheet	\$ 4,592,409
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Capital assets used in governmental activities used in
governmental activities are not financial resources and
therefore, are not reported in the funds. This activity consists of:

Acquisition cost	\$ 6,958,947
Depreciation	<u>(1,601,632)</u>

Capital assets net of depreciation	5,357,315
------------------------------------	-----------

Some liabilities are not due and payable in the current period
and therefore are not reported in the funds. These include:

Contracts payable	(878,350)
Bonds payable	(9,391,000)
Accrued interest on contracts and bonds	(87,596)
Compensated absences	<u>(184,648)</u>

Total	(10,541,594)
-------	--------------

Deferred revenues on special assessments was recognized as
revenue in the government-wide statements. Assessments are
income as they are assessed.

	<u>6,530,656</u>
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Net assets of governmental activities	<u>\$ 5,938,786</u>
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GREEN OAK TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
JUNE 30, 2004

	General	Special Police	Water System Capital Projects	Other Non-major Funds	Total
REVENUES					
Taxes	\$ 663,280	\$ 1,135,177	\$	\$ 1,082,778	\$ 2,881,235
Special assessments			477,018	88,727	565,745
State shared revenues	1,034,421				1,034,421
Grant - federal				50,724	50,724
Rental income				181,888	181,888
Charges for services	429,765	23,805	20,151	516,663	990,384
Interest	26,960	986	19,546	22,311	69,803
Miscellaneous	124,204	37,862		35,055	197,121
Total revenues	2,278,630	1,197,830	516,715	1,978,146	5,971,321
EXPENDITURES					
General government	1,592,339			413,090	2,005,429
Fire protection				826,020	826,020
Police protection		1,237,042		74,274	1,311,316
Parks and recreation	67,033			378,705	445,738
Public works	208,710		5,371,880	79,681	5,660,271
Debt service					
Principal	19,238		125,000	258,389	402,627
Interest and fees	6,848		218,052	155,144	380,044
Total expenditures	1,894,168	1,237,042	5,714,932	2,185,303	11,031,445
Excess of revenues over (under) expenditures	384,462	(39,212)	(5,198,217)	(207,157)	(5,060,124)
OTHER FINANCING SOURCES (USES)					
Bond proceeds			6,025,000		6,025,000
Transfers in		200,000		555,844	755,844
Transfers (out)	(264,528)	(84,000)		(407,316)	(755,844)
Total other financing sources (uses)	(264,528)	116,000	6,025,000	148,528	6,025,000
Excess of revenues over (under) expenditures and other financing sources (uses)	119,934	76,788	826,783	(58,629)	964,876
FUND BALANCE, JULY 1, 2003 (DEFICIT)	1,219,446	34,405	(175,870)	2,549,552	3,627,533
FUND BALANCE, JUNE 30, 2004	\$ 1,339,380	\$ 111,193	\$ 650,913	\$ 2,490,923	\$ 4,592,409

The notes of the financial statements are an integral part of this statement.

GREEN OAK TOWNSHIP
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - governmental funds	\$ 964,876
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Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their useful lives as depreciation expense. The amount by which capital outlays exceeded depreciation is as follows:

Capital outlay	\$ 589,894	
Depreciation expense	<u>(263,470)</u>	
Total		326,424

Repayment of bond and contracts payable is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Repayment of:		
Bonds payable	223,000	
Contracts payable	<u>179,627</u>	
Total		402,627

Interest is accrued for the governmental fund long-term debt for the Statement of Activities:

Accrued interest at June 30, 2004	(87,596)	
Accrued interest at July 1, 2003	<u>48,326</u>	
Total		(39,270)

Accrued absences for vacation and sick time for the employees is recorded on the Statement of Net Assets.

Accrued balance at June 30, 2004	(184,648)	
Accrued balance at July 1, 2003	<u>117,045</u>	
Total		(67,603)

Proceeds from long-term debt provide current financial resources to governmental funds, but the issuing of debt increase long-term liabilities in the Statement of Activities.

(6,025,000)

Principal received on special assessments are income as they are levied annually for governmental funds, but they are income when they are levied for the Statement of Activities.

Special assessments levied	6,789,600	
Principal collected on assessments	<u>(375,751)</u>	
Total		<u>6,413,849</u>

Change in net assets of governmental activities	<u>\$ 1,975,903</u>
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GREEN OAK TOWNSHIP
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2004

	Hidden Lake Sewer	Tri-Lakes Sewer	Other Non-major Enterprise Funds	Total
<u>ASSETS</u>				
CURRENT ASSETS				
Cash and cash equivalents	\$ 238,056	\$	\$ 181,532	\$ 419,588
Accounts receivable	6,874		23,683	30,557
Total current assets	244,930		205,215	450,145
RESTRICTED ASSETS				
Cash and cash equivalents	1,123,567	5,897,985		7,021,552
Special assessments	8,106,542	13,422,129		21,528,671
Total restricted assets	9,230,109	19,320,114		28,550,223
CAPITAL ASSETS				
Land	368,294	2,394,933		2,763,227
Sewer systems	8,527,612			8,527,612
Water systems			290,242	290,242
Construction in progress		7,038,070		7,038,070
	8,895,906	9,433,003	290,242	18,619,151
Less accumulated depreciation	(830,330)		(111,852)	(942,182)
Capital assets, net	8,065,576	9,433,003	178,390	17,676,969
OTHER ASSETS				
Bond issuance costs, net		51,186		51,186
Total assets	17,540,615	28,804,303	383,605	46,728,523
<u>LIABILITIES</u>				
CURRENT LIABILITIES				
Accounts payable	\$ 5,027	\$	\$ 7,221	\$ 12,248
Due to other funds			3,152	3,152
Total liabilities	5,027		10,373	15,400
CURRENT LIABILITIES (FROM RESTRICTED ASSETS)				
Accrued interest payable	72,249			72,249
Bonds payable, current portion	330,000	500,000		830,000
Total current liabilities (from restricted assets)	402,249	500,000		902,249
LONG-TERM LIABILITIES (FROM RESTRICTED ASSETS)				
Bonds payable	7,985,000	12,935,000		20,920,000
Total liabilities	8,392,276	13,435,000	10,373	21,837,649
<u>NET ASSETS</u>				
NET ASSETS				
Invested capital assets, net of related debt	(249,424)	1,895,988	178,390	1,824,954
Unrestricted	9,397,763	13,473,315	194,842	23,065,920
Total net assets	\$ 9,148,339	\$ 15,369,303	\$ 373,232	\$ 24,890,874

The notes of the financial statements are an integral part of this statement.

GREEN OAK TOWNSHIP
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2004

	Hidden Lake Sewer	Tri-Lakes Sewer	Non-major Enterprise Funds	Total
OPERATING REVENUES				
User charges	\$ 25,377	\$	\$ 98,868	\$ 124,245
OPERATING EXPENSES				
Operating supplies	2,855		13,452	16,307
Contracted service, repairs and maintenance	40,771		63,676	104,447
Miscellaneous	7,657		2,967	10,624
Insurance			3,152	3,152
Utilities	1,117		12,650	13,767
Depreciation	213,411		3,996	217,407
Total operating expenses	265,811		99,893	365,704
Operating income (loss)	(240,434)		(1,025)	(241,459)
NON-OPERATING REVENUES (EXPENSES)				
Interest income - operating		141,046	2,024	143,070
Interest income - construction	14,613			14,613
Interest income - assessments	547,233	520,200		1,067,433
Special assessments levied		6,455,043		6,455,043
Interest expense - bonds	(448,174)			(448,174)
Total non-operating revenues (expenses)	113,672	7,116,289	2,024	7,231,985
Net income (loss)	(126,762)	7,116,289	999	6,990,526
NET ASSETS, JULY 1, 2003	9,275,101	8,253,014	372,233	17,900,348
NET ASSETS, JUNE 30, 2004	\$ 9,148,339	\$ 15,369,303	\$ 373,232	\$ 24,890,874

**GREEN OAK TOWNSHIP
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2004**

	Hidden Lake Sewer	Tri-Lakes Sewer	Non-major Enterprise Funds	Total
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES				
Cash received from users	\$ 24,796	\$	\$ 97,882	\$ 122,678
Cash payments to suppliers	(48,429)		(93,635)	(142,064)
Net cash from (used in) operating activities	(23,633)		4,247	(19,386)
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of assets	(368,294)	(8,509,727)		(8,878,021)
Repayment on principal on bonds	(330,000)	(975,000)		(1,305,000)
Bond proceeds		13,645,700		13,645,700
Special assessment collections	401,953	1,299,498		1,701,451
Interest received from assessments, reserved funds	547,233			547,233
Interest paid on bonds	(451,110)			(451,110)
Net cash from (used in) capital and related financing activities	(200,218)	5,460,471		5,260,253
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on cash	14,613	141,046	2,024	157,683
Net increase (decrease) in cash equivalents	(209,238)	5,601,517	6,271	5,398,550
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,570,861</u>	<u>296,468</u>	<u>175,261</u>	<u>2,042,590</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,361,623</u>	<u>\$ 5,897,985</u>	<u>\$ 181,532</u>	<u>\$ 7,441,140</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating (loss)	\$ (240,434)	\$	\$ (1,025)	\$ (241,459)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	213,411		3,996	217,407
Change in assets and liabilities:				
Receivables, net	(581)		(896)	(1,477)
Accounts and other payables	3,971		2,172	6,143
Net cash provided by (used in) operating activities	<u>\$ (23,633)</u>	<u>\$</u>	<u>\$ 4,247</u>	<u>\$ (19,386)</u>

The notes to the financial statements are an integral part of this statement.

NOTES
TO
FINANCIAL
STATEMENTS

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Township relating to the funds and account groups included in the accompanying combined financial statements conform to generally accepted accounting principles applicable to state and local governments. The more significant accounting policies of the Township are described below.

A. BASIC FINANCIAL STATEMENTS

In accordance with GASB Statement No. 34 - *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, the basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (Statement of Net Assets and Statement of Activities) report on the Township as a whole, excluding fiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All activities, both governmental and business-type, are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Generally, the effect of interfund activity has been removed from the government-wide financial statements. Net interfund activity and balances between governmental activities and business-type activities are shown in the government-wide financial statements.

The government-wide Statement of Net Assets reports all financial and capital resources of the Township (excluding fiduciary funds). It is displayed in a format of assets less liabilities equals net assets, with the assets and liabilities shown in order of their relative liquidity. Net assets are required to be displayed in three components: 1) invested in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Invested in capital assets, net of related debt is capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net assets are those with constraints placed on their use by either: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations or other governments, or 2) imposed by law through constitutional provisions or enabling legislation. All net assets not otherwise classified as restricted, are shown as unrestricted. Generally the Township would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The Government-Wide Statement of Activities demonstrates the degree to which both direct and indirect expenses of the various functions and programs of the Township are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Indirect expenses for administrative overhead are allocated among the functions and activities using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Interest on general long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes, unrestricted investment income and other revenues not identifiable with particular functions or programs are included as general revenues. The general revenues support the net costs of the functions and programs not covered by program revenues.

Also, part of the basic financial statements are fund financial statements for governmental funds and proprietary funds. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although this reporting model sets forth minimum criteria for determination of major funds (a percentage of assets, liabilities, revenues, or expenditures/expenses of fund category and of the governmental and enterprise funds combined), it also gives governments the option of displaying other funds as major funds. Other non-major funds, are combined in a single column on the fund financial statements.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Special Police Fund accounts for all the activity associated with operating the police protection services. This fund is primarily supported through the collection of property taxes.

The Water System Capital Projects Fund accounts for the activity associated with the construction and collection of assessments related to the Township's participation in the Livingston County Water Authority.

The Township reports the following major enterprise funds.

The Hidden Lake Sewer Fund accounts for all the activity associated with the operations and maintenance of operating a sewage treatment system for residents near the Hidden Lake development.

The Tri-Lakes Sewer Fund accounts for the activity associated with the construction and subsequent operation and maintenance of a sewage treatment system for several Township residents.

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The governmental fund financial statements are prepared on a current financial resources measurement focus and modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

- A. Revenue is recorded when it becomes both measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, transient occupancy taxes, licenses, fees and permits, intergovernmental revenues, charges for services, fines, forfeits and penalties, and interest.
- B. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.
- C. Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds are reported as another financing source.

With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balance as a measure of available resources.

This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the Township's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The proprietary funds financial statements are prepared on the same basis (economic resources measurement focus and accrual basis of accounting) as the government-wide financial statements. Therefore, most lines for the total enterprise funds on the proprietary funds financial statements will directly reconcile to the business-type activities column on the government-wide financial statements. Because the enterprise funds are combined into a single business-type activities column on the government-wide financial statements, certain interfund activities between these funds are eliminated in the consolidation for the government-wide financial statements, but are included in the fund columns in the proprietary funds financial statements.

Enterprise funds account for operations where the intent of the Township is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Under GASB Statement No. 34, enterprise funds are also required for any activity whose principal revenue sources meet any of the following criteria: 1) any activity that has issued debt backed solely by the fees and charges of the activity, 2) if the cost of providing services for any activity, including capital costs such as depreciation or debt service, must legally be recovered through fees and charges of the activity, or 3) it is the policy of the Township to establish activity fees or charges to recover the cost of providing services, including capital costs.

On the proprietary funds financial statements, operating revenues are those that flow directly from the operations of the activity, i.e. charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide those goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

Under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Township has elected for proprietary funds not to apply Financial Accounting Standards Board statements issued after November 30, 1989.

Fiduciary funds account for assets held by the Township in a trustee or agency capacity on behalf of others and, therefore, are not available to support Township programs. Fiduciary funds are not included in the government-wide financial statements as they are not an asset of the Township available to support Township programs. The Township currently maintains an agency fund to account for the monies collected and paid on behalf of developer's escrow accounts.

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. CAPITAL ASSETS

Under GASB Statement No. 34, all capital assets, whether owned by governmental activities or business-type activities, are recorded and depreciated in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets, including public domain infrastructure (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the Township) are defined as assets with an initial, individual cost of more than \$5,000) and an estimated useful life greater than one year. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation. Real property are considered capital assets regardless of initial cost.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings, structures and improvements	5 to 50 years
Utility plant	5 to 50 years
Machinery and equipment	2 to 40 years
Infrastructure	25 to 75 years

Capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.

D. ACCRUED COMPENSATED ABSENCES

The Township has recorded a liability for compensated absences of the fire department. The policies regarding compensated absences are outlined in the Township's "Rules of Employment".

E. BUDGETARY DATA

The board of trustees follow the procedures as outlined in the Uniform Budgeting Manual for Local Units of Government in Michigan in the establishment of the various annual budgets.

The supervisor prepares the annual budgets through information received by the clerk. The proposed budget is then submitted for discussion and approved by the entire Township board. The budget is approved by activity rather than line item. If and when it becomes necessary to amend certain amounts in the budget, a proposal outlining the desired changes is made to and approved by the Township board at any of their regular meetings. Budget appropriations made, but not expended by year end, will lapse with the fiscal year end.

For the year ended June 30, 2004, expenditures exceeded appropriations in several functional activities.

Budgets were not prepared for all special revenue funds. This is a violation of Public Act 493 of 2000.

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. PROPERTY TAXES

The Township's property taxes are levied and become a lien on each December 1st based on the taxable value of property located in the Township as of the preceding December 31st. These taxes are due on February 14 with the final collection date of February 28 before they are added to the county delinquent tax rolls. The Township recognized the amount levied December 1, 2003 as revenue for the year ended June 30, 2004.

The 2003 taxable valuation of the township totaled \$719,391,702. The delinquent real property taxes of Green Oak Township are purchased by Livingston County. The county sells tax notes, the proceeds of which will be used to pay the Township for these property taxes. The county disbursed the delinquent taxes to the Township in June 2004.

The Township levies the following millage:

General Township	0.9080
Police and police capital improvements	1.5788
Fire and fire capital improvements	<u>1.4802</u>
Total millage	<u>3.9670</u>

Michigan personal property tax assessments have been based, since the 1960's, on the use of one or more of several different multiplier tables formulated by the State Tax Commission against taxpayer reported original cost, depending on the assessor's view of the average life of the personal property. The State Tax Commission has indicated that it plans to reformulate the multipliers, with the new multipliers anticipated to become effective for the year 2000. The State Tax Tribunal has informally indicated that once the new multipliers are approved, it may allow them to be applied retroactively in pending personal property tax appeals.

G. MANAGEMENT'S ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

H. CASH EQUIVALENTS

For purposes of the statement of cash flows, demand deposits and short-term investments with a maturity date of three months or less when acquired are considered to be cash equivalents.

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. RISK MANAGEMENT

The Township is exposed to various risks of loss pertaining to property loss, torts, errors and omissions and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased commercial insurance for these claims. Settled claims related to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

NOTE 2 - DESCRIPTION OF REPORTING ENTITY

In accordance with Governmental Accounting Standards Board (GASB) statement number 39, all funds, agencies, and activities of Green Oak Township have been included in the general purpose financial statements.

A. BLENDED COMPONENT UNIT

1. Building Authority - Green Oak Township Building Authority is governed by a three member board appointed by the Township. Although it is legally separate from the Township, the Building Authority is reported as if it were part of the primary government because its sole purpose is to finance and construct the Township's public buildings.

The following potential component units have been evaluated under the criteria established by GASB statement number 39 and determined not to be component units based on financial independence and accountability.

1. Fonda Island & Briggs Lake Joint Water Authority - Green Oak Township appoints three members of the authority's six member board. The authority is fiscally independent from the Township. The authority is audited as an independent entity in compliance with Public Act 2.
2. South Eastern Livingston County Recreation Authority - (SELCRA) - SELCRA is an inter-local agreement which includes the City of Brighton, Brighton Area Schools, Genoa Township, Charter Township of Brighton and Green Oak Township.
3. Friends of Green Oak Township Fire Department, Inc. - The Association is not included in the financial statements, and was determined not to be a component unit based on the criteria of GASB 39. The Association has obtained tax exempt status from the Internal Revenue Service.
4. Green Oak Fire Fighters Association - The Association is not included in the general purpose financial statements. The Association is an independent non-profit that is in the process of obtaining tax exempt status from the Internal Revenue Service.
5. Livingston Community Water Authority - The Water Authority consists of Green Oak Township, Charter Township of Brighton, and Hamburg Township. Two people per township are appointed to the Authority. It was organized December 19, 2000. The Authority is audited as an independent entity in compliance with Public Act 2.

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the governmental fund for the year ended June 30, 2004 was as follows:

A summary of changes in general fixed assets follows:

	<u>Balance 7/1/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/04</u>
Land	\$ 591,279	\$ 7,638	\$	\$ 598,917
Buildings and improvements	3,419,922	378,705		3,798,627
Machinery and equipment	<u>2,357,852</u>	<u>203,551</u>		<u>2,561,403</u>
Total capital assets	6,369,053	589,894		6,958,947
Accumulated depreciation	<u>(1,338,162)</u>	<u>(263,470)</u>		<u>(1,601,632)</u>
Governmental activities capital asset, net	<u>\$ 5,030,891</u>	<u>\$ 326,424</u>	<u>\$</u>	<u>\$ 5,357,315</u>

Depreciation expense is being recorded in the government-wide statement of activities based upon the fund and activity utilizing the assets. The Township utilizes the straight line method to depreciate capital assets over their estimated useful lives. There is \$724,445 of debt associated with these capital assets.

Depreciation expense was distributed to the various activities as follows:

General government	\$ 46,279
Fire protection	173,124
Police protection	41,963
Parks and recreation	<u>2,104</u>
	<u>\$ 263,470</u>

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 3 - CAPITAL ASSETS - continued

A summary of changes in proprietary fixed assets is as follows:

Acquisitions of fixed assets in the Saxony Water Fund, Hidden Lakes Sewer Fund, Enterprise Funds and Tri-Lakes Sewer Fund, are recorded in their respective asset accounts and annual depreciation, based on the straight-line method over estimated useful life, is charged to current operations.

	Balance 7/1/03	Additions	Deletions	Balance 6/30/03
Land	\$	\$ 2,763,227	\$	\$ 2,763,227
Water system	123,000			123,000
Water system improvements	26,537			26,537
Water tower	140,705			140,705
Sewer System	<u>8,527,612</u>			<u>8,527,612</u>
	8,817,854	2,763,227		11,581,081
Less: accumulated depreciation	<u>(724,775)</u>	<u>(217,407)</u>		<u>(942,182)</u>
Fixed assets, net of depreciation	<u>\$ 8,093,079</u>	<u>\$ 2,545,820</u>	<u>\$</u>	<u>\$ 10,638,899</u>
CONSTRUCTION IN PROGRESS	<u>\$ 1,143,553</u>	<u>\$ 1,619,694</u>	<u>\$</u>	<u>\$ 2,763,227</u>

NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables exist at June 30, 2004. These represent short-term borrowings and amounts owed for reimbursements between other funds. The total interfund receivable and payable balance at June 30, 2004 is \$10,170.

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 5 - GENERAL LONG-TERM DEBT

A summary of the Townships governmental activities long-term debt as of June 30, 2004, and transactions during the year then ended follows:

	Balance 7/1/03	<u>Additions</u>	<u>Deletions</u>	Balance 6/30/04
Viking Lane Special Assessment Bonds \$	24,000	\$	\$ 8,000	\$ 16,000
Pheasant Lake Special Assessment Bonds	135,000		10,000	125,000
Building Authority Bonds - 1998	415,000		20,000	395,000
Building Authority Bonds - 2000	1,640,000		60,000	1,580,000
Livingston County Water Bonds -2002	1,375,000			1,375,000
Livingston County Water Bonds - 2003		6,025,000	125,000	5,900,000
Capital leases payable	884,834		160,389	724,445
Contracts payable - roads	173,144		19,239	153,905
Accrued liability for vested compensated absences	117,045	67,603		184,648
Total	<u>\$ 4,764,023</u>	<u>\$ 6,092,603</u>	<u>\$ 402,628</u>	<u>\$10,453,998</u>

Bonds Payable

1. On February 7, 1996, the Township issued \$77,000 Series 1996-A road special assessment bonds to finance the Viking Lane special assessment road improvements. The special assessment is for a ten-year term and the bonds require an annual payment of principal and interest. As of June 30, 2004, the outstanding balance was \$16,000 with an interest rate ranging from 6% to 5.2%.
2. On July 1, 1997, the Township issued special assessment road bonds Series 1977, to finance the Pheasant Lake special assessment road improvements. The special assessment is for a fifteen year term and the bonds require an annual payment of principal and interest. As of June 30, 2004, the outstanding balance was \$125,000 with an interest rate ranging from 5.35% to 5.55%.
3. On December 22, 1998 the Township issued Building Authority general obligation bonds series 1998 to purchase land for construction of a new township hall. The bonds mature in 2018 with principal payments due annually and interest payments made semi-annually with an interest rate ranging from 3.3% to 5.0%. As of June 30, 2004, the outstanding balance was \$395,000.
4. On October 1, 2000 the Township issued Building Authority general obligation bonds series 2000 to finance the construction of the new township hall. The bonds mature in 2020 with principal payments due annually and interest payments made semi-annually with an annual interest rate ranging from 4.75% to 5.55%. As of June 30, 2004, the outstanding balance was \$1,580,000.

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 5 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS - (continued)

5. On October 1, 2002 the Township issued Capital Improvement Bonds, Series 2002 to finance the reconstruction costs of a new water system to be maintained by the Livingston County Water Authority. The bonds mature in 2019 with principal payments due annually and interest payments made semi-annually with an annual interest rate ranging from 2.5% to 4.3%. As of June 30, 2004, the outstanding balance was \$1,375,000.
6. On September 1, 2003, the Township issued Capital Improvement Bonds, Series 2003 to finance the reconstruction costs of a new water system to be maintained by the Livingston County Water Authority. The bonds mature in 2023 with principal payments due annually and interest payments made semi-annually with an interest rate ranging from 2.75% to 5.0%. As of June 30, 2004, the outstanding balance was \$5,900,000.

The following is a schedule of principal and interest payments to service the long-term debt bond obligations of the Township for the governmental funds:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004 - 2005	\$ 233,000	\$ 405,145	\$ 638,145
2005 - 2006	328,000	395,725	723,725
2006 - 2007	380,000	384,551	764,551
2007 - 2008	400,000	371,606	771,606
2008 - 2009	430,000	357,382	787,382
2009 - 2014	2,500,000	1,492,353	3,992,353
2014 - 2019	3,020,000	913,865	3,933,865
2019 - 2023	<u>2,100,000</u>	<u>233,515</u>	<u>2,333,515</u>
Total	<u>\$ 9,391,000</u>	<u>\$ 4,554,142</u>	<u>\$ 13,945,142</u>

Capital Leases

- B. On October 1, 2000 the Township entered into a capital lease agreement to purchase trucks for the fire department. The term of the lease is for ten years. Interest is charged at a rate of 4.92% per annum with an annual payment of \$203,922.66. As of June 30, 2004, the outstanding principal balance was \$724,445.

The following is a schedule of principal and interest payments to service the long-term capital lease obligations of the Township:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004 - 2005	\$ 168,280	\$ 35,643	\$ 203,923
2005 - 2006	176,559	27,363	203,922
2006 - 2007	185,246	18,677	203,923
2007 - 2008	<u>194,360</u>	<u>9,563</u>	<u>203,923</u>
Total	<u>\$ 724,445</u>	<u>\$ 91,246</u>	<u>\$ 815,691</u>

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 5 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS - (continued)

Contract Payable

On July 1, 2001 the Township signed a contract to repay the Livingston County Road Commission for Michigan Transportation Fund Notes sold to finance road construction. The term of the contract is 10 years. Interest is charged at a rate ranging from 4.0% to 4.35% per annum with a principal payment of \$19,238.20 due annually until maturity on February 1, 2012. As of June 30, 2004, the outstanding principal balance was \$153,905.

The following is a schedule of principal and interest payments to service the long-term contract payable obligations of the Township:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004 - 2005	\$ 19,238	\$ 6,058	\$ 25,296
2005 - 2006	19,238	5,264	24,502
2006 - 2007	19,238	4,470	23,708
2007 - 2008	19,238	3,677	22,915
2008 - 2009	19,238	6,604	25,842
2009 - 2012	<u>57,715</u>	<u>3,727</u>	<u>61,442</u>
	<u>\$ 153,905</u>	<u>\$ 29,800</u>	<u>\$ 183,705</u>

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 6 - PROPRIETARY FUND - BONDS PAYABLE

1. On February 1, 2000, the Township issued sanitary sewer special assessment bonds Series 2000 to finance the purchase of a sanitary sewer system. The bonds mature in 2020 with principal payments due annually starting in 2002, and interest payments made semi-annually with an interest rate ranging from 5.250% to 5.500%. As of June 30, 2004, the outstanding balance was \$6,565,000. The activity for this debt service is recorded in the Hidden Lake Sewer Fund.
2. On March 1, 2002, the Township issued Sanitary Sewer System Phase II assessment bonds Series 2004 to finance the purchase of a sanitary sewer system. The bonds mature in 2020 with principal payments due annually starting in 2002, and interest payments made semi-annually with an interest rate ranging from 3.90% to 5.00%. As of June 30, 2004, the outstanding balance was \$1,300,000. The activity for this debt service is recorded in the Hidden Lake Sewer Fund.
3. On October 1, 2002, the Township issued Sanitary Sewer System Phase III assessment bonds series 2002 to finance the purchase of a sanitary sewer system. The bonds mature in 2022 with principal payments due annually starting in 2004, and interest payments made semi-annually with an interest rate ranging from 3.35% to 4.65%. As of June 30, 2004, the outstanding balance was \$450,000. The activity for this debt service is recorded in the Hidden Lake Sewer Fund.
4. On July 1, 2003, the Township issued Sanitary Sewer System special assessment bonds series 2003 to finance the construction of a sanitary sewer system. The bonds mature in 2023 with principal payments due annually starting in 2004, and interest payments made semi-annually with an interest rate ranging form 2.50% to 4.30%. As of June 30, 2004, the outstanding balance was \$12,740,000. The activity for this debt service is recorded in the Tri-Lakes Sewer District Fund.
5. On April 1, 2004, the Township issued Sanitary Sewer System special assessment bonds series 2004 to finance the construction of a sanitary sewer system. The bonds mature in 2024 with principal payments due annually starting in 2005, and interest payments made semi-annually with an interest rate ranging from 3.00% to 4.85%. As of June 30, 2004, the outstanding balance was \$695,000. The activity for this debt service is recorded in the Tri-Lakes Sewer District Fund.

The following is a schedule of principal and interest payments to service the proprietary funds bond obligations:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004 - 2005	\$ 830,000	\$ 931,152	\$ 1,761,152
2005 - 2006	870,000	899,368	1,769,368
2006 - 2007	895,000	868,744	1,763,744
2007 - 2008	895,000	837,465	1,732,465
2008 - 2009	935,000	806,156	1,741,156
2014 - 2019	6,860,000	1,948,050	8,808,050
2019 - 2024	<u>4,455,000</u>	<u>457,655</u>	<u>4,912,655</u>
Total	<u>\$ 15,740,000</u>	<u>\$ 6,748,590</u>	<u>\$ 22,488,590</u>

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 7 - DEFINED CONTRIBUTION PENSION PLAN

The name of the plan is: "Green Oak Township Group Pension Plan" - #70485

The plan administrator is: Clerk, Township of Green Oak
10001 Silver Lake Road
Brighton, Michigan 48116

The plan was effective July 1, 1986, and was last amended on April 29, 2002. The records of the plan are maintained on a plan year basis. A plan year is the period from July 1 to June 30 of the following year.

The plan covers all full-time employees, hourly or salaried, working thirty-five hours or more per week.

The account balances prepared at July 20, 2002, reflect contributions from the period July 1, 2003 to June 30, 2004, are as follows:

Guaranteed Account

Account value at last annual statement	\$ 168,895
Current year contributions	108,732
Withdrawals	
Investment gain (loss) less asset charge	<u>63,572</u>
Account value at June 30, 2004	<u>\$ 341,199</u>

Certain officials and full time employees are eligible to join the plan on the date the plan starts, or on the first entry date coincident with or immediately following the date of employment if later, provided he or she has completed three months service, and is at least age 18, but no more than age 75.

Entry to the plan occurs on the first day of each calendar month. The plan provides for 100% vesting after five years of service.

As of the date of issuance of the financial statements, current year plan data was not available.

The employer contribution is 10% of annual compensation, with a minimum contribution of \$300 per year. A contribution of \$108,732 was made in the fiscal year ended June 30, 2004.

The total current year payroll for all employees was \$1,784,088. The amount determined to be the employer's current year covered employment was \$1,016,414.

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 8 - DEFINED BENEFIT PENSION PLAN

Plan Description - The Green Oak Township Police Department participates in the Michigan Municipal Employees Retirement System (MERS) which is an agent multiple-employer, state-wide, defined benefit public employee retirement plan created under Public Act 135 of 1945 and now operates under Public Act 220 of 1996. MERS was established by the State of Michigan for purposes of providing retirement, survivor and disability benefits on a voluntary basis to the State's local government employees. Under Public Act 220, MERS became an independent public non-profit corporation independent from State government. The effective date of independence was August 15, 1996, at which time MERS ceased to be a part of the State of Michigan, Department of Management and Budget. The Township has no fiduciary responsibility for the plan. All full-time employees of the police department are eligible to participate in the plan immediately upon employment.

As of December 31, 2003, the police department had fifteen covered employees and eighteen total employees. Covered payroll for the year then ended was \$727,887.

The police department is covered under benefit program (C-NEW). The plan provides for vesting of benefits after ten years of service. Participants may elect normal retirement at age 60, with 10 or more years of service. The plan also provides for early retirement at age 55, with 15 or more years of service, and at age 50 with 25 or more years of service.

Employees do not contribute to the plan.

The police department currently has no retirants or beneficiaries in the plan.

The following information, which is the most current available, was obtained from the Township's actuarial consultants, the Segal Company. The amount disclosed as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to (a) help users assess the plan's funding status on a going-concern basis, (b) assess progress being made in accumulating sufficient assets to pay benefits when due, and (c) allow for comparisons among public employee retirement plans. The measure is independent of the actuarial funding method used to determine contributions to the plan.

The pension benefit obligation was determined as part of an actuarial valuation of the plan as of December 31, 1997. Significant actuarial assumptions used in determining the pension benefit obligation include (a) a rate of return on the investment of present and future assets of 8.0% per year compounded annually, (b) projected salary increases of 5% per year compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 4.2% per year, depending on age, attributable to seniority/merit, and (d) the assumption that benefits will increase 2.5% per year (annually) after retirement.

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 8 - PENSION PLAN (continued)

At December 31, 2002, the unfunded pension benefit obligation was \$850,830, determined as follows:

Pension benefit obligation	
Retirees and beneficiaries currently receiving benefits	\$ 0
Terminated employees not yet receiving benefits	0
Current employees	
Accumulated employee contribution, including allocated investment income	129,971
Employer financed	<u>1,156,292</u>
Total pension benefit obligation	1,286,263
Net assets available for benefits, at cost (at market)	<u>435,433</u>
Unfunded actuarial accrued liability	<u>\$ 850,830</u>

During the year ended December 31, 2002, the plan experienced a net change of \$211,589 in the pension benefit obligation. As of December 31, 2002 there were 13 employees enrolled in this plan.

Analysis of Funding Progress

Valuation Date <u>December 31</u>	Net Assets Available for <u>Benefits</u>	Pension Benefit Obligation <u>(PBO)</u>	Percent Funded <u>(1)/(2)</u>	Unfunded (Overfunded) PBO <u>(2)-(1)</u>	Annual Covered Payroll	Unfunded PBO as a % of Covered Payroll
1994	\$ 19,641	\$ 1,090	1,802%	\$ (18,550)	\$ 116,398	0
1995	40,372	17,074	236%	(23,297)	288,736	0
1996	69,770	140,582	50%	70,812	386,585	18
1997	88,589	266,805	33%	178,216	466,480	38
1998	136,288	353,479	39%	217,191	555,133	39
1999	200,575	385,418	52%	184,843	575,310	32
2000	279,722	478,469	58%	198,747	471,988	42
2001	360,226	1,074,674	34%	714,448	542,622	132
2002	435,433	1,286,263	34%	850,830	614,886	138

A ten year summary is not provided since the police department has only participated since 1994.

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 9 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The Township deposits are in accordance with statutory authority. The Township maintains an imprest petty cash account of \$400.

The Governmental Accounting Standards Board Statement No. 3 risk disclosures for the Township's cash deposits are as follows:

<u>Deposits</u>	<u>Fiduciary Funds</u>	<u>Primary Government</u>	<u>Total Carrying Amount</u>	<u>Bank Balance</u>
Insured (FDIC)	\$	\$ 300,000	\$ 300,000	\$
Uninsured and uncollateralized	<u>233,956</u>	<u>11,420,655</u>	<u>11,654,611</u>	<u>11,977,725</u>
Total deposits	\$ 233,956	11,720,655	11,954,611	
Petty cash		<u>400</u>	<u>400</u>	
Total cash	<u>\$ 233,956</u>	<u>\$ 11,721,055</u>	<u>\$ 11,955,011</u>	

NOTE 10 - STATEMENT OF CASH FLOWS

Pursuant to the Governmental Accounting Standards Board (GASB) statement number 9, a statement of cash flows is presented. The purpose of the statement of cash flows is to explain the change in cash and cash equivalents during the year. Cash equivalents are defined as short-term, highly liquid investments with original maturities of three months or less. The indirect method was utilized to present cash flows from operations of the Township's Proprietary Funds. The following is a schedule of beginning and ending cash and cash equivalents:

	<u>July 1, 2003</u>	<u>June 30, 2004</u>
Current assets - cash	\$ 758,622	\$ 1,114,947
Restricted cash	<u>1,283,968</u>	<u>6,326,193</u>
	<u>\$ 2,042,590</u>	<u>\$ 7,441,140</u>

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 11 - SEGMENT INFORMATION - ENTERPRISE FUNDS

Selected financial information with respect to the four enterprise funds is as follows:

	<u>Saxony Water</u>	<u>Centennial Farms</u>	<u>Reick's Farms</u>	<u>Hidden Lake</u>	<u>Tri-Lakes Sewer</u>	<u>Total</u>
Operating revenues	\$ 56,046	\$ 37,653	\$ 5,169	\$ 25,377	\$	\$ 124,245
Depreciation	3,996			213,411		217,407
Operating income (loss)	(2,422)	(22)	1,419	(240,434)		(241,459)
Net working capital	172,628	5,651	22,214	1,291,221	5,897,985	7,389,699
Total assets	354,928	5,651	23,026	17,540,615	28,804,303	46,728,523
Retained earnings	351,018		22,214	9,148,339	15,369,303	24,890,874

NOTE 12 - CONTINGENT LIABILITIES

The Township is involved in various legal actions arising in the normal course of business. In the opinion of management, such matters will not have a material effect upon the financial position of the Township.

NOTE 13 - BUILDING AUTHORITY AGREEMENT

On December 1, 1998 the Green Oak Township Building Authority sold \$475,000 in general obligation limited tax bonds to finance the construction of a new township hall. The Green Oak Township general fund will make an annual payment to the building authority fund in the amount of the debt service requirements. The general fund and building authority fund will record these amounts as rental income/expenditures as they are paid. The following is a schedule of payments the general fund must make to the building authority fund:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004- 2005	\$ 20,000	18,025	38,025
2005 - 2006	20,000	17,215	37,215
2006 - 2007	20,000	16,385	36,385
2007 - 2008	20,000	15,535	35,535
2008 - 2009	20,000	14,665	34,665
2009 and thereafter	<u>295,000</u>	<u>77,979</u>	<u>372,979</u>
	<u>\$ 395,000</u>	<u>\$ 159,804</u>	<u>\$ 554,804</u>

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 14 - IMPLEMENTATION OF GASB STATEMENT NO. 34

The Township has implemented the standards required by GASB Statement No. 34 for the year ended June 30, 2004. All required statements and disclosures have been included in the basic financial statements.

NOTE 15 - FEDERAL GRANT ACTIVITIES

The Township has been a recipient of various federal grant funds. There was \$50,724 received in the current year. However, these funds and funds received in prior year may still be subject to federal grant audit requirements.

NOTE 16 - RECONCILIATION OF FUND FINANCIAL STATEMENTS
TO GOVERNMENT-WIDE FINANCIAL STATEMENTS

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Total fund balance per balance sheet	\$ 4,592,409
--------------------------------------	--------------

Capital assets used in governmental activities used in governmental activities are not financial resources and therefore, are not reported in the funds. This activity consists of:

Acquisition cost	\$ 6,958,947
Depreciation	<u>(1,601,632)</u>

Capital assets net of depreciation	5,357,315
------------------------------------	-----------

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:

Contracts payable	(878,350)
Bonds payable	(9,391,000)
Accrued interest on contracts and bonds	(87,596)
Compensated absences	<u>(184,648)</u>

Total	(10,541,594)
-------	--------------

Deferred revenues on special assessments was recognized as revenue in the government-wide statements. Assessments are income as they are assessed.

	<u>6,530,656</u>
--	------------------

Net assets of governmental activities	<u>\$ 5,938,786</u>
---------------------------------------	---------------------

GREEN OAK TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

**NOTE 16 - RECONCILIATION OF FUND FINANCIAL STATEMENTS
TO GOVERNMENT-WIDE FINANCIAL STATEMENTS - continued**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - governmental funds	\$ 964,876
--	------------

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their useful lives as depreciation expense. The amount by which capital outlays exceeded depreciation is as follows:

Capital outlay	\$ 589,894
Depreciation expense	<u>(263,470)</u>

Total	326,424
-------	---------

Repayment of bond and contracts payable is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Repayment of:	
Bonds payable	223,000
Contracts payable	<u>179,627</u>

Total	402,627
-------	---------

Interest is accrued for the governmental fund long-term debt for the Statement of Activities:

Accrued interest at June 30, 2004	(87,596)
Accrued interest at July 1, 2003	<u>48,326</u>

Total	(39,270)
-------	----------

Accrued absences for vacation and sick time for the employees is recorded on the Statement of Net Assets.

Accrued balance at June 30, 2004	(184,648)
Accrued balance at July 1, 2003	<u>117,045</u>

Total	(67,603)
-------	----------

Proceeds from long-term debt provide current financial resources to governmental funds, but the issuing of debt increase long-term liabilities in the Statement of Activities.

(6,025,000)

Principal received on special assessments are income as they are levied annually for governmental funds, but they are income when they are levied for the Statement of Activities.

Special assessments levied	6,789,600
Principal collected on assessments	<u>(375,751)</u>

Total	<u>6,413,849</u>
-------	------------------

Change in net assets of governmental activities	<u>\$ 1,975,903</u>
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REQUIRED SUPPLEMENTARY INFORMATION

GREEN OAK TOWNSHIP
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 647,200	\$ 659,920	\$ 663,280	\$ 3,360
State shared revenues	1,062,225	1,062,225	1,034,421	(27,804)
Clean up grant			1,287	1,287
Charges for services	328,760	409,835	429,765	19,930
Interest	10,000	20,000	26,960	6,960
Reimbursements	19,375	20,475	20,792	317
Miscellaneous	102,500	96,525	102,125	5,600
Total revenues	<u>2,170,060</u>	<u>2,268,980</u>	<u>2,278,630</u>	<u>9,650</u>
EXPENDITURES				
Township board	214,450	170,450	135,941	34,509
Assessor	189,533	179,533	168,430	11,103
Supervisor	146,161	146,161	141,503	4,658
Election	86,040	61,040	53,340	7,700
Clerk	268,112	258,112	255,315	2,797
Treasurer	211,207	206,207	195,904	10,303
Township hall and grounds	219,630	219,630	213,223	6,407
Crossing guards	8,720	10,200	8,590	1,610
Planning commission	98,740	168,740	181,318	(12,578)
Planning and zoning	119,196	119,196	113,254	5,942
Board of review	3,150	3,650	3,258	392
Unallocated	108,102	148,100	136,558	11,542
Zoning board of appeals	10,300	12,800	11,791	1,009
Roads	160,270	230,270	198,141	32,129
Cemetery maintenance	13,750	14,750	10,569	4,181
Recreation	63,117	68,117	67,033	1,084
Total expenditures	<u>1,920,478</u>	<u>2,016,956</u>	<u>1,894,168</u>	<u>122,788</u>
Excess of revenues over (under) expenditures	249,582	252,024	384,462	132,438
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>(253,678)</u>	<u>(250,580)</u>	<u>(264,528)</u>	<u>(13,948)</u>
Excess of revenues over (under) expenditures and other financing (uses)	(4,096)	1,444	119,934	118,490
FUND BALANCE, JULY 1, 2003	<u>1,219,446</u>	<u>1,219,446</u>	<u>1,219,446</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 1,215,350</u>	<u>\$ 1,220,890</u>	<u>\$ 1,339,380</u>	<u>\$ 118,490</u>

GREEN OAK TOWNSHIP
SPECIAL POLICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,105,160	\$ 1,105,160	\$ 1,135,177	\$ 30,017
Liquor license fees	5,000	5,000	5,179	179
Fines	12,000	12,000	29,797	17,797
Cost recovery			19,292	19,292
Miscellaneous	13,150	13,150	8,385	(4,765)
Total revenues	1,135,310	1,135,310	1,197,830	62,520
EXPENDITURES				
Salaries	703,850	703,850	722,531	(18,681)
Benefits	152,500	152,500	153,580	(1,080)
Pension	73,100	73,100	89,921	(16,821)
Insurance	80,500	80,500	89,061	(8,561)
Fuel	19,000	19,000	21,783	(2,783)
Repairs and maintenance	25,750	25,750	26,457	(707)
Miscellaneous operating supplies	192,950	192,950	133,709	59,241
Total expenditures	1,247,650	1,247,650	1,237,042	10,608
Excess of revenues over (under) expenditures	(112,340)	(112,340)	(39,212)	73,128
OTHER FINANCING SOURCES (USES)				
Transfers in	200,000	200,000	200,000	
Transfers (out)	(84,000)	(84,000)	(84,000)	
Total other financing sources (uses)	116,000	116,000	116,000	
Excess of revenues over (under) expenditures and other financing sources (uses)	3,660	3,660	76,788	73,128
FUND BALANCE, JULY 1, 2003	34,405	34,405	34,405	
FUND BALANCE, JUNE 30, 2004	\$ 38,065	\$ 38,065	\$ 111,193	\$ 73,128

GREEN OAK TOWNSHIP
SCHEDULES OF PENSION FUNDING PROGRESS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2004

In accordance with the Governmental Accounting Standards Board Statements No. 25 and 27, the following information is a required part of the basic financial statements.

POLICE EMPLOYEES

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded (Overfunded) Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
December 31, 2001	\$ 360,226	\$ 544,347	\$ 184,121	66.18%	\$ 542,622	33.9%
December 31, 2002	\$ 435,433	\$ 1,286,265	\$ 850,830	33.85%	\$ 614,886	72.3%

No current information could be provided for the year ended December 31, 2003

SUPPLEMENTARY INFORMATION

COMBINING
FINANCIAL
STATEMENTS

GREEN OAK TOWNSHIP
ALL SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2004

	Building Department Fund	Cemetery Perpetual Care	Fire	Special Fire Capital	Fire Capital Vehicle and Equipment Fund	Special Police
<u>ASSETS</u>						
ASSETS						
Cash	\$ 450,135	\$ 468	\$ 486,621	\$ 38,434	\$ 263,531	\$ 98,816
Taxes receivable			17,466			25,432
Accounts receivable				3,763	1,970	
Prepaid expenditures	<u>729</u>		<u>1,225</u>			<u>5,161</u>
Total assets	<u>\$ 450,864</u>	<u>\$ 468</u>	<u>\$ 505,312</u>	<u>\$ 42,197</u>	<u>\$ 265,501</u>	<u>\$ 129,409</u>
<u>LIABILITIES AND FUND BALANCE</u>						
LIABILITIES						
Accounts payable	\$ 10,788	\$	\$ 7,325	\$	\$	\$ 9,662
Accrued wages and vacation	2,660		2,479			8,554
Due to other funds						
Total liabilities	13,448		9,804			18,216
FUND BALANCE	<u>437,416</u>	<u>468</u>	<u>495,508</u>	<u>42,197</u>	<u>265,501</u>	<u>111,193</u>
Total liabilities and fund balance	<u>\$ 450,864</u>	<u>\$ 468</u>	<u>\$ 505,312</u>	<u>\$ 42,197</u>	<u>\$ 265,501</u>	<u>\$ 129,409</u>

<u>Police Department Capital Vehicle and Equipment Fund</u>	<u>Police Special Investigation</u>	<u>Budget Stabilization</u>	<u>Storm Water</u>	<u>Road Improvement</u>	<u>Silver Fox Trail Paving</u>	<u>Land Development</u>	<u>Riverside Drive Road Maintenance</u>
\$ 252,195 1,970	\$ 12,939	\$ 289,686	\$ 8,563	\$ 486,074	\$ 57,217	\$23,490	\$ 3,574
<u>\$ 254,165</u>	<u>\$ 12,939</u>	<u>\$ 289,686</u>	<u>\$ 8,563</u>	<u>\$486,074</u>	<u>\$ 57,217</u>	<u>\$23,490</u>	<u>\$ 3,574</u>
\$ 7,530	\$	\$	\$	\$	\$ 48,426 5,207	\$ 18,937	\$
7,530					53,633	18,937	
<u>246,635</u>	<u>12,939</u>	<u>289,686</u>	<u>8,563</u>	<u>486,074</u>	<u>3,584</u>	<u>4,553</u>	<u>3,574</u>
<u>\$ 254,165</u>	<u>\$ 12,802</u>	<u>\$ 287,608</u>	<u>\$ 8,563</u>	<u>\$486,074</u>	<u>\$ 57,217</u>	<u>\$23,490</u>	<u>\$ 3,574</u>

GREEN OAK TOWNSHIP
ALL SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET - continued
JUNE 30, 2004

	<u>Street Lights</u>	<u>Metro Act</u>	<u>Total</u>
<u>ASSETS</u>			
ASSETS			
Cash	\$ 246	\$ 11,563	\$ 2,426,335
Taxes receivable	14,017		116,102
Accounts receivable			5,733
Prepaid expenditures			7,115
Total assets	<u>\$ 14,263</u>	<u>\$ 11,563</u>	<u>\$ 2,555,285</u>
<u>LIABILITIES AND FUND BALANCE</u>			
LIABILITIES			
Accounts payable	\$ 547	\$	\$ 103,215
Accrued wages and vacation			13,693
Due to other funds			5,207
Total liabilities	547		122,115
FUND BALANCE	<u>13,716</u>	<u>11,563</u>	<u>2,433,170</u>
Total liabilities and fund balance	<u>\$ 14,263</u>	<u>\$ 11,563</u>	<u>\$ 2,555,285</u>

GREEN OAK TOWNSHIP
ALL DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2004

	<u>Viking Lane</u>	<u>Pheasant Lake</u>	<u>Building Authority</u>	<u>Total</u>
<u>ASSETS</u>				
ASSETS				
Cash	\$ 14,732	\$ 46,134	\$ 7,503	\$ 68,369
Special assessment receivable	5,500	11,827		17,327
Deferred special assessment receivable	<u>6,325</u>	<u>69,964</u>		<u>76,289</u>
Total assets	<u>\$ 26,557</u>	<u>\$ 127,925</u>	<u>\$ 7,503</u>	<u>\$ 161,985</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
LIABILITIES				
Deferred revenue	\$ 11,825	\$ 81,791	\$	\$ 93,616
FUND BALANCE - RESERVED	<u>14,732</u>	<u>46,134</u>	<u>7,503</u>	<u>68,369</u>
Total liabilities and fund balance	<u>\$ 26,557</u>	<u>\$ 127,925</u>	<u>\$ 7,503</u>	<u>\$ 161,985</u>

GREEN OAK TOWNSHIP
ALL CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2004

<u>ASSETS</u>	<u>Sewer Improvement</u>	<u>Centennial Farms</u>	<u>Water System</u>	<u>Total</u>
ASSETS				
Cash	\$ 14,636	\$ 47,858	\$ 653,008	\$ 715,502
Certificate of deposit	78,320			78,320
Special assessments receivable			6,437,040	6,437,040
Total assets	<u>\$ 92,956</u>	<u>\$ 47,858</u>	<u>\$ 7,090,048</u>	<u>\$ 7,230,862</u>
<u>LIABILITIES AND FUND BALANCE</u>				
LIABILITIES				
Accounts payable	\$	\$	\$ 2,095	\$ 2,095
Deposits		40,237		40,237
Deferred revenues			6,437,040	6,437,040
Total liabilities		40,237	6,439,135	6,479,372
FUND BALANCE - RESERVED	<u>92,956</u>	<u>7,621</u>	<u>650,913</u>	<u>751,490</u>
Total liabilities and fund balance	<u>\$ 92,956</u>	<u>\$ 47,858</u>	<u>\$ 7,090,048</u>	<u>\$ 7,230,862</u>

GREEN OAK TOWNSHIP
ALL ENTERPRISE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2004

	<u>Saxony Water</u>	<u>Centennial Farms</u>	<u>Reick's Farms</u>	<u>Hidden Lake Sewer</u>
<u>ASSETS</u>				
ASSETS				
Cash	\$ 154,449	\$ 5,651	\$ 21,432	\$ 238,056
Cash - restricted				1,123,567
Accounts receivable	22,089		1,594	6,874
Special assessments receivable				8,106,542
Construction in progress				
Land				368,294
Water system donated	123,000			
Improvement to water system	26,537			
Water tower	140,705			
Sewer system				8,527,612
Accumulated depreciation	(111,852)			(830,330)
Bond discount, net				
Total assets	<u>\$ 354,928</u>	<u>\$ 5,651</u>	<u>\$ 23,026</u>	<u>\$ 17,540,615</u>
<u>LIABILITIES AND FUND EQUITY</u>				
LIABILITIES				
Accounts payable	\$ 758	\$ 5,651	\$ 812	\$ 5,027
Accrued expenses				72,249
Due to other funds	3,152			
Bonds payable				8,315,000
Total liabilities	3,910	5,651	812	8,392,276
FUND EQUITY				
Retained earnings	<u>351,018</u>		<u>22,214</u>	<u>9,148,339</u>
Total liabilities and fund equity	<u>\$ 354,928</u>	<u>\$ 5,651</u>	<u>\$ 23,026</u>	<u>\$ 17,540,615</u>

<u>Tri-lakes Sewer</u>	<u>Total</u>
\$	\$
5,897,985	419,588
	7,021,552
	30,557
13,422,129	21,528,671
7,038,070	7,038,070
2,394,933	2,763,227
	123,000
	26,537
	140,705
	8,527,612
	(942,182)
<u>51,186</u>	<u>51,186</u>
<u>\$ 28,804,303</u>	<u>\$ 46,728,523</u>

\$	\$
	12,248
	72,249
	3,152
<u>13,435,000</u>	<u>21,750,000</u>
13,435,000	21,837,649
<u>15,369,303</u>	<u>24,890,874</u>
<u>\$ 28,804,303</u>	<u>\$ 46,728,523</u>

GREEN OAK TOWNSHIP
ALL FIDUCIARY FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2004

		<u>AGENCY FUNDS</u>		
		<u>Current Tax Collection</u>	<u>Trust and Agency</u>	<u>Total</u>
<u>ASSETS</u>				
ASSETS		\$ 1,202	\$ 232,754	\$ 233,956
Cash and cash equivalents				
<u>LIABILITIES</u>				
<u>LIABILITIES</u>				
Due to others		\$	\$ 232,145	\$ 232,145
Due to other funds		1,202	609	1,811
Total liabilities		\$ 1,202	\$ 232,754	\$ 233,956

GREEN OAK TOWNSHIP
ALL SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2004

	Building Department	Cemetery Perpetual Care	Fire	Special Fire Capital	Fire Capital Vehicle and Equipment	Special Police
REVENUES						
Taxes	\$	\$	\$ 1,064,283	\$	\$	\$ 1,135,177
Special assessments						
Charges for services	514,765		1,898			23,805
Grant - federal			50,724			
Interest	3,343	18	2,803	1,609	1,422	986
Other	<u>20</u>		<u>3,159</u>			<u>37,862</u>
Total revenues	<u>518,128</u>	<u>18</u>	<u>1,122,867</u>	<u>1,609</u>	<u>1,422</u>	<u>1,197,830</u>
EXPENDITURES						
General government	413,090					
Public safety			642,626	46,102	27	1,237,042
Capital outlay				137,265		
Public works						
Debt service						
Principal					160,389	
Interest					<u>43,534</u>	
Total expenditures	<u>413,090</u>		<u>642,626</u>	<u>183,367</u>	<u>203,950</u>	<u>1,237,042</u>
Excess of revenues over (under) expenditures	<u>105,038</u>	<u>18</u>	<u>480,241</u>	<u>(181,758)</u>	<u>(202,528)</u>	<u>(39,212)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in		450			257,316	200,000
Transfers (out)			<u>(201,722)</u>	<u>(55,594)</u>		<u>(84,000)</u>
Total other financing sources (uses)		<u>450</u>	<u>(201,722)</u>	<u>(55,594)</u>	<u>257,316</u>	<u>116,000</u>
Excess of revenues over (under) expenditures and other financing sources(uses)	105,038	468	278,519	(237,352)	54,788	76,788
FUND BALANCE, JULY 1, 2003	<u>332,378</u>		<u>216,989</u>	<u>279,549</u>	<u>210,713</u>	<u>34,405</u>
FUND BALANCE, JUNE 30, 2004	<u>\$ 437,416</u>	<u>\$ 468</u>	<u>\$ 495,508</u>	<u>\$ 42,197</u>	<u>\$ 265,501</u>	<u>\$ 111,193</u>

<u>Police Department Vehicle and Equipment</u>	<u>Police Special Investigation</u>	<u>Budget Stabilization</u>	<u>Storm Water</u>	<u>Road Improvement</u>	<u>Land Development</u>	<u>Silver Fox Trail Paving</u>	<u>Riverside Drive Road Maintenance</u>
\$	\$	\$	\$	\$	\$	\$	\$
						57,217	4,478
1,435	45	2,078	7	6,373	1,300		24
<u>22,098</u>	<u>92</u>				<u>392</u>		
<u>23,533</u>	<u>137</u>	<u>2,078</u>	<u>7</u>	<u>6,373</u>	<u>1,692</u>	<u>57,217</u>	<u>4,502</u>
19,940							
54,334					378,705		
			6,444			53,633	5,368
<u>74,274</u>			<u>6,444</u>		<u>378,705</u>	<u>53,633</u>	<u>5,368</u>
(50,741)	137	2,078	(6,437)	6,373	(377,013)	3,584	(866)
84,000			15,000	49,078	150,000		
				(150,000)			
<u>84,000</u>			<u>15,000</u>	<u>(100,922)</u>	<u>150,000</u>		
33,259	137	2,078	8,563	(94,549)	(227,013)	3,584	(866)
<u>213,376</u>	<u>12,802</u>	<u>287,608</u>		<u>580,623</u>	<u>231,566</u>		<u>4,440</u>
<u>\$ 246,635</u>	<u>\$ 12,939</u>	<u>\$ 289,686</u>	<u>\$ 8,563</u>	<u>\$ 486,074</u>	<u>\$ 4,553</u>	<u>\$ 3,584</u>	<u>\$ 3,574</u>

GREEN OAK TOWNSHIP
ALL SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - continued
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Street Lights</u>	<u>Metro Act</u>	<u>Total</u>
REVENUES			
Taxes	\$ 14,017	\$	\$ 2,217,955
Special assessments			57,217
Charges for services			540,468
Grant - federal			50,724
Interest	38	2	21,483
Other		9,294	72,917
	<u>14,055</u>	<u>9,296</u>	<u>2,960,764</u>
Total revenues			
EXPENDITURES			
General government			413,090
Public safety			1,945,737
Capital outlay			570,304
Public works	14,235		79,680
Debt service			
Principal			160,389
Interest			43,534
	<u>14,235</u>		<u>3,212,734</u>
Total expenditures			
Excess of revenues over (under) expenditures	<u>(180)</u>	<u>9,296</u>	<u>(251,970)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			755,844
Transfers (out)			(491,316)
			<u>264,528</u>
Total other financing sources (uses)			
Excess of revenues over (under) expenditures and other financing sources (uses)	(180)	9,296	12,558
FUND BALANCE JULY 1, 2003	<u>13,896</u>	<u>2,267</u>	<u>2,420,612</u>
FUND BALANCE, JUNE 30, 2004	<u>\$ 13,716</u>	<u>\$ 11,563</u>	<u>\$ 2,433,170</u>

GREEN OAK TOWNSHIP
ALL DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Ore Lake</u>	<u>Briggs Lake</u>	<u>Viking Lane</u>
REVENUES			
Special assessments	\$	\$	\$ 6,560
Rental income			
Interest			105
Total revenues			<u>6,665</u>
EXPENDITURES			
Administrative expense	6	4	301
Debt service			
Principal			8,000
Interest			<u>1,224</u>
Total expenditures	<u>6</u>	<u>4</u>	<u>9,525</u>
Excess of revenues over (under) expenditures	(6)	(4)	(2,860)
FUND BALANCE, JULY 1, 2003	<u>6</u>	<u>4</u>	<u>17,592</u>
FUND BALANCE, JUNE 30, 2004	<u>\$</u>	<u>\$</u>	<u>\$ 14,732</u>

<u>Pheasant Lake</u>	<u>Building Authority</u>	<u>Total</u>
\$ 24,950	\$	\$ 31,510
	181,888	181,888
<u>242</u>	<u>72</u>	<u>419</u>
<u>25,192</u>	<u>181,960</u>	<u>213,817</u>
300		611
10,000	80,000	98,000
<u>7,312</u>	<u>102,463</u>	<u>110,999</u>
<u>17,612</u>	<u>182,463</u>	<u>209,610</u>
7,580	(503)	4,207
<u>38,554</u>	<u>8,006</u>	<u>64,162</u>
<u>\$ 46,134</u>	<u>\$ 7,503</u>	<u>\$ 68,369</u>

GREEN OAK TOWNSHIP
ALL CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Sewer Improvement</u>	<u>Centennial Farms</u>	<u>Water System</u>	<u>Building Authority</u>
REVENUES				
Special assessments	\$	\$	\$ 477,018	
Interest	1,105	290	19,546	\$
Connection charges			20,151	
Total revenues	<u>1,105</u>	<u>290</u>	<u>516,715</u>	
EXPENDITURES				
Water			5,371,880	
Debt service			343,052	
Other				1
Total expenditures			<u>5,714,932</u>	<u>1</u>
Excess of revenues over (under) expenditures	1,105	290	(5,198,217)	(1)
OTHER FINANCING SOURCES				
Bond proceeds			6,025,000	
Excess of revenues over (under) expenditures and other financing sources	1,105	290	826,783	(1)
FUND BALANCE(DEFICIT), JULY 1, 2003	<u>91,851</u>	<u>7,331</u>	<u>(175,870)</u>	<u>1</u>
FUND BALANCE, JUNE 30, 2004	<u>\$ 92,956</u>	<u>\$ 7,621</u>	<u>\$ 650,913</u>	<u>\$</u>

Total

\$ 477,018
20,941
20,151

518,110

5,371,880
343,052
1

5,714,933

(5,196,823)

6,025,000

828,177

(76,687)

\$ 751,490

GREEN OAK TOWNSHIP
ALL ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Saxony Water Fund</u>	<u>Centennial Farms Fund</u>	<u>Reick's Farms Fund</u>
OPERATING REVENUES			
User charges	\$ 56,046	\$ 37,653	\$ 5,169
OPERATING EXPENSES			
Operating supplies	9,142	4,310	
Contracted service, repairs and maintenance	33,492	26,755	3,429
Miscellaneous	767	2,039	161
Insurance	3,152		
Utilities	7,919	4,571	160
Depreciation	3,996		
Total operating expenses	<u>58,468</u>	<u>37,675</u>	<u>3,750</u>
Operating income (loss)	<u>(2,422)</u>	<u>(22)</u>	<u>1,419</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest income - operating	1,873	22	129
Interest income - construction			
Interest income - assessments			
Special assessments levied			
Interest expense - bonds			
Total non-operating revenues (expenses)	<u>1,873</u>	<u>22</u>	<u>129</u>
Net income (loss)	(549)		1,548
RETAINED EARNINGS, JULY 1, 2003	<u>351,567</u>		<u>20,666</u>
RETAINED EARNINGS, JUNE 30, 2004	<u>\$ 351,018</u>	<u>\$</u>	<u>\$ 22,214</u>

<u>Hidden Lake Sewer Fund</u>	<u>Tri-Lakes Sewer</u>	<u>Total</u>
\$ 25,377	\$	\$ 124,245
2,855		16,307
40,771		104,447
7,657		10,624
		3,152
1,117		13,767
<u>213,411</u>		<u>217,407</u>
<u>265,811</u>		<u>365,704</u>
<u>(240,434)</u>		<u>(241,459)</u>
	141,046	143,070
14,613		14,613
547,233	520,200	1,067,433
	6,455,043	6,455,043
<u>(448,174)</u>		<u>(448,174)</u>
<u>113,672</u>	<u>7,116,289</u>	<u>7,231,985</u>
(126,762)	7,116,289	6,990,526
<u>9,275,101</u>	<u>8,253,014</u>	<u>17,900,348</u>
<u>\$ 9,148,339</u>	<u>\$ 15,369,303</u>	<u>\$ 24,890,874</u>

GREEN OAK TOWNSHIP
ALL ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2004

	Saxony Water Fund	Centennial Farms Fund	Reick's Farm Fund	Hidden Lake Fund
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES				
Cash received from users	\$ 55,142	\$ 37,563	\$ 5,177	\$ 24,796
Cash payments to suppliers	<u>(56,020)</u>	<u>(34,677)</u>	<u>(2,938)</u>	<u>(48,429)</u>
Net cash from (used in) operating activities	<u>(878)</u>	<u>2,886</u>	<u>2,239</u>	<u>(23,633)</u>
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of assets				(368,294)
Repayment on principle on bonds				(330,000)
Bond proceeds				401,953
Special assessment collections				547,233
Interest received from assessments, reserved funds				<u>(451,110)</u>
Interest paid on bonds				
Net cash from (used in) capital and related financing activities				<u>(200,218)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on cash	<u>1,873</u>	<u>22</u>	<u>129</u>	<u>14,613</u>
Net increase (decrease) in cash equivalents	995	2,908	2,368	(209,238)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>153,454</u>	<u>2,743</u>	<u>19,064</u>	<u>1,570,861</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 154,449</u>	<u>\$ 5,651</u>	<u>\$ 21,432</u>	<u>\$ 1,361,623</u>

<u>Tri-Lakes Sewer</u>	<u>Total</u>
\$	\$ 122,678
	(142,064)
	(19,386)
(8,509,727)	(8,878,021)
(975,000)	(1,305,000)
13,645,700	13,645,700
1,299,498	1,701,451
	547,233
	(451,110)
<u>5,460,471</u>	<u>5,260,253</u>
<u>141,046</u>	<u>157,683</u>
5,601,517	5,398,550
<u>296,468</u>	<u>2,042,590</u>
<u>\$ 5,897,985</u>	<u>\$ 7,441,140</u>

INDIVIDUAL FUNDS

GENERAL
FUND

GREEN OAK TOWNSHIP
GENERAL FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash	\$ 991,389
State shared revenues receivable	347,781
Delinquent taxes receivable	9,679
Accounts receivable	20,298
Due from other funds	10,170
Prepaid expenditures	<u>909</u>

Total assets	\$ <u>1,380,226</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 25,695
Accrued wages, vacation and sick pay	11,705
Due to others	<u>3,446</u>

Total liabilities	\$ 40,846
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FUND BALANCE

1,339,380

Total liabilities and fund balance	\$ <u>1,380,226</u>
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GREEN OAK TOWNSHIP
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 659,920	\$ 663,280	\$ 3,360
State shared revenues	1,062,225	1,034,421	(27,804)
Clean up grant		1,287	1,287
Charges for services	409,835	429,765	19,930
Interest	20,000	26,960	6,960
Reimbursements	20,475	20,792	317
Miscellaneous	<u>96,525</u>	<u>102,125</u>	<u>5,600</u>
Total revenues	<u>2,268,980</u>	<u>2,278,630</u>	<u>9,650</u>
EXPENDITURES			
Township board	170,450	135,941	34,509
Assessor	179,533	168,430	11,103
Supervisor	146,161	141,503	4,658
Election	61,040	53,340	7,700
Clerk	258,112	255,315	2,797
Treasurer	206,207	195,904	10,303
Township hall and grounds	219,630	213,223	6,407
Crossing guards	10,200	8,590	1,610
Planning commission	168,740	181,318	(12,578)
Planning and zoning	119,196	113,254	5,942
Board of review	3,650	3,258	392
Unallocated	148,100	136,558	11,542
Zoning board of appeals	12,800	11,791	1,009
Roads	230,270	198,141	32,129
Cemetery maintenance	14,750	10,569	4,181
Recreation	<u>68,117</u>	<u>67,033</u>	<u>1,084</u>
Total expenditures	<u>2,016,956</u>	<u>1,894,168</u>	<u>122,788</u>
Excess of revenues over (under) expenditures	252,024	384,462	132,438
OTHER FINANCING (USES)			
Transfers (out)	<u>(250,580)</u>	<u>(264,528)</u>	<u>(13,948)</u>
Excess of revenues over (under) expenditures and other financing (uses)	1,444	119,934	118,490
FUND BALANCE, JULY 1, 2003	<u>1,219,446</u>	<u>1,219,446</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 1,220,890</u>	<u>\$ 1,339,380</u>	<u>\$ 118,490</u>

GREEN OAK TOWNSHIP
GENERAL FUND
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
TAXES			
Current property tax	\$	\$ 652,863	\$
Trailer fees		1,417	
Dog license fees		1,230	
Impact fees		7,770	
Total taxes	<u>659,920</u>	<u>663,280</u>	<u>3,360</u>
STATE SHARED REVENUES	<u>1,062,225</u>	<u>1,034,421</u>	<u>(27,804)</u>
CLEAN UP GRANT		<u>1,287</u>	<u>1,287</u>
CHARGES FOR SERVICES			
Property tax administration fees		242,419	
Summer tax collection fees		31,328	
Planning commission		117,715	
Board of appeals		14,019	
Split application fees		5,500	
Passport services		15,774	
Copies		3,010	
Total charges for services	<u>409,835</u>	<u>429,765</u>	<u>19,930</u>
INTEREST	<u>20,000</u>	<u>26,960</u>	<u>6,960</u>
REIMBURSEMENTS	<u>20,475</u>	<u>20,792</u>	<u>317</u>
MISCELLANEOUS			
Franchise fees		82,400	
Cemetery		4,287	
Miscellaneous		15,438	
Total miscellaneous	<u>96,525</u>	<u>102,125</u>	<u>5,600</u>
Total revenues	<u>\$ 2,268,980</u>	<u>\$ 2,278,630</u>	<u>\$ 9,650</u>

GREEN OAK TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TOWNSHIP BOARD			
Meeting fees	\$	\$ 18,018	\$
Other meeting fees		1,260	
Clerical fees		2,640	
Payroll taxes		1,573	
Pension		1,962	
Office supplies		1,502	
Legal fees		39,950	
Engineering fees		7,507	
Planning consultant		210	
Contracted services		5,827	
Audit		17,200	
Dues and schools		10,124	
Printing and publications		5,636	
Miscellaneous		4,213	
Clean up		8,729	
Capital outlay		9,590	
	<u> </u>	<u> </u>	<u> </u>
Total township board	<u>170,450</u>	<u>135,941</u>	<u>34,509</u>
ASSESSOR			
Salary		49,256	
Clerical salary		51,298	
Payroll taxes		8,811	
Health insurance		14,890	
Life insurance		1,308	
Pension		10,074	
Rent		14,551	
Legal fees		150	
Equipment repair		32	
Office supplies		1,853	
Telephone		734	
Contract services		3,398	
Tax bill preparation		5,561	
Dues and schools		3,845	
Mileage		347	
Gasoline and oil		387	
Publications		1,866	
Miscellaneous		69	
	<u> </u>	<u> </u>	<u> </u>
Total assessor	<u>179,533</u>	<u>168,430</u>	<u>11,103</u>

GREEN OAK TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
SUPERVISOR			
Salary		40,462	
Clerical salary		27,145	
Payroll taxes		5,501	
Health insurance		15,905	
Life insurance		1,434	
Pension		6,726	
Rent		40,015	
Office supplies		146	
Legal fees		1,328	
Contracted services		769	
Dues		10	
Telephone		705	
Miscellaneous		593	
Mileage		213	
Repairs		551	
Total supervisor	<u>146,161</u>	<u>141,503</u>	<u>4,658</u>
ELECTION			
Wages		30,071	
Payroll taxes		2,281	
Health insurance		10,941	
Life insurance		376	
Pension		2,998	
Supplies and postage		2,920	
Contracted services		3,303	
Mileage		83	
Telephone		208	
Miscellaneous		159	
Total election	<u>61,040</u>	<u>53,340</u>	<u>7,700</u>

GREEN OAK TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
CLERK			
Salary			
Clerk		46,733	
Deputy clerk		1,821	
Accountant		39,400	
Administrative assistant		37,686	
Overtime		540	
Payroll taxes		10,343	
Health insurance		22,060	
Life insurance		2,036	
Pension		12,642	
Rent		56,385	
Mileage		1,094	
Office supplies		2,358	
Dues and schools		1,297	
Contracted services		12,134	
Printing and publications		1,814	
Legal fees		639	
Telephone		945	
Miscellaneous		1,568	
Small equipment		3,820	
	<u> </u>	<u> </u>	<u> </u>
Total clerk	<u>258,112</u>	<u>255,315</u>	<u>2,797</u>

GREEN OAK TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TREASURER			
Salary			
Treasurer		45,519	
Deputy treasurer		1,813	
Administrative assistant		31,836	
Clerical		23,086	
Other payroll		7,097	
Payroll taxes		9,027	
Health insurance		18,180	
Life insurance		2,093	
Pension		9,420	
Rent		25,464	
Office supplies		1,812	
Legal fees		58	
Contracted services		4,695	
Tax bill preparation		6,048	
Dues and schools		1,830	
Postage		4,005	
Telephone		764	
Mileage		1,473	
Small equipment		1,372	
Miscellaneous		312	
		<u>312</u>	
Total treasurer	<u>206,207</u>	<u>195,904</u>	<u>10,303</u>

GREEN OAK TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TOWNSHIP HALL AND GROUNDS			
Wages		35,513	
Payroll taxes		2,916	
Health insurance		8,008	
Life insurance		840	
Pension		3,207	
Contracted services		5,615	
Lawn and snow contract		1,607	
Cleaning service		16,800	
Well clean up		80,435	
Telephone		5,758	
Gasoline		1,296	
Small equipment		9,751	
Utilities		15,692	
Drinking water		442	
Supplies and maintenance		5,800	
Repairs and maintenance building		869	
Auto maintenance		1,117	
Equipment repair		3,246	
Capital outlay		10,000	
Miscellaneous		4,311	
	<u>219,630</u>	<u>213,223</u>	<u>6,407</u>
Total township hall and grounds			

GREEN OAK TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
CROSSING GUARDS	<u>10,200</u>	<u>8,590</u>	<u>1,610</u>
PLANNING COMMISSION			
Wages		14,975	
Payroll taxes		1,175	
Office supplies		81	
Refunds		3,917	
Engineering fees		64,540	
Planning consultant		94,831	
Clerical		140	
Dues and schools		375	
Publications		1,086	
Miscellaneous		<u>198</u>	
Total planning commission	<u>168,740</u>	<u>181,318</u>	<u>(12,578)</u>
BOARD OF REVIEW			
Per diem		2,940	
Payroll taxes		225	
Office supplies		48	
Mileage		<u>45</u>	
Total board of review	<u>3,650</u>	<u>3,258</u>	<u>392</u>
UNALLOCATED			
Salary		576	
Payroll taxes		44	
Office supplies		16,169	
Legal fees		100	
Contracted services		25,851	
Small equipment		25,819	
Insurance		55,122	
Repairs and maintenance		454	
Rentals		8,919	
Miscellaneous		<u>3,504</u>	
Total unallocated	<u>148,100</u>	<u>136,558</u>	<u>11,542</u>

GREEN OAK TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
PLANNING AND ZONING			
Wages		68,628	
Payroll taxes		5,905	
Health insurance		11,187	
Life insurance		905	
Pension		6,900	
Office supplies		1,354	
Legal fees		5,677	
Contracted services		403	
Dues and schools		867	
Telephone		685	
Mileage		214	
Gas and oil		519	
Publications		116	
Repairs and maintenance		74	
Rent		9,094	
Insurance		533	
Miscellaneous		193	
Total planning and zoning	<u>119,196</u>	<u>113,254</u>	<u>5,942</u>
ZONING BOARD OF APPEALS			
Per diems		6,110	
Payroll taxes		434	
Refunds		125	
Legal fees		3,597	
Dues and schools		275	
Clerical		1,250	
Total board of appeals	<u>12,800</u>	<u>11,791</u>	<u>1,009</u>
ROADS			
Contracted services		172,055	
Debt payments - principal		19,238	
Debt payments - interest		6,848	
Total roads	<u>230,270</u>	<u>198,141</u>	<u>32,129</u>

GREEN OAK TOWNSHIP
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED JUNE 30, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
CEMETERY MAINTENANCE			
Contracted services		7,529	
Lawn and snow maintenance		2,061	
Assessment fees		979	
Total cemetery maintenance	<u>14,750</u>	<u>10,569</u>	<u>4,181</u>
RECREATION	<u>68,117</u>	<u>67,033</u>	<u>1,084</u>
Total expenditures	<u>\$ 2,016,956</u>	<u>\$ 1,894,168</u>	<u>\$ 122,788</u>

BUILDING
DEPARTMENT
FUND

GREEN OAK TOWNSHIP
BUILDING DEPARTMENT FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash	\$ 450,135
Prepaid expenditures	<u>729</u>

Total assets		<u>\$ 450,864</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 10,788
Accrued expenditures	<u>2,660</u>

Total liabilities		\$ 13,448
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FUND BALANCE

437,416

Total liabilities and fund balance		<u>\$ 450,864</u>
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GREEN OAK TOWNSHIP
BUILDING DEPARTMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Permits, licenses, and fees	\$	\$ 514,443	\$
Sale of copies, maps		322	
Interest income		3,343	
Refunds and rebates		20	
	<u>480,000</u>	<u>518,128</u>	<u>38,128</u>
Total revenues			
EXPENDITURES			
Salaries		140,646	
Payroll taxes		11,137	
Health insurance		40,606	
Life insurance		2,431	
Pension		14,478	
Office supplies		2,774	
Legal fees		888	
Contracted services		12,014	
Contract labor		64,095	
Membership dues		360	
Schools and seminars		536	
Telephone		2,504	
Utilities		3,480	
Gas and oil		1,792	
Publications		938	
General liability insurance		57,270	
Equipment repairs		1,562	
Rent expense		36,378	
Miscellaneous		1,700	
Small equipment		2,501	
Administrative fees		15,000	
	<u>461,678</u>	<u>413,090</u>	<u>48,588</u>
Total expenditures			
Excess of revenues over expenditures	18,322	105,038	86,716
FUND BALANCE, JULY 1, 2003	<u>332,378</u>	<u>332,378</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 350,700</u>	<u>\$ 437,416</u>	<u>\$ 86,716</u>

CEMETERY
PERPETUAL CARE
FUND

GREEN OAK TOWNSHIP
CEMETERY PERPETUAL CARE FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS
Cash

\$ 468

FUND BALANCE

FUND BALANCE

\$ 468

GREEN OAK TOWNSHIP
CEMETERY PERPETUAL CARE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30 2004

REVENUES	\$ 18
EXPENDITURES	<u> </u>
Excess of revenue over expenditures	18
OTHER FINANCING SOURCES	
Transfers in	<u>450</u>
Excess of revenues over expenditures and other financing sources	468
FUND BALANCE JULY 1, 2003	<u> </u>
FUND BALANCE, JUNE 30, 2004	<u>\$ 468</u>

FIRE
FUND

GREEN OAK TOWNSHIP
FIRE FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash	\$ 486,621
Taxes receivable	17,466
Prepaid expenditures	<u>1,225</u>

Total assets	<u>\$ 505,312</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 7,325
Accrued wages, vacation and sick pay	<u>2,479</u>

Total liabilities	\$ 9,804
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FUND BALANCE

495,508

Total liabilities and fund balance	<u>\$ 505,312</u>
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GREEN OAK TOWNSHIP
FIRE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$	\$ 1,064,283	\$
EMS grant		50,724	
Interest		2,803	
Charges for services		1,898	
Miscellaneous		3,159	
Total revenues	1,038,770	1,122,867	84,097
EXPENDITURES	<u>718,275</u>	<u>642,626</u>	<u>75,649</u>
Excess of revenues over expenditures	320,495	480,241	159,746
OTHER FINANCING (USES)			
Transfers (out)	<u>(201,725)</u>	<u>(201,722)</u>	<u>3</u>
Excess of revenues over expenditures and other financing (uses)	118,770	278,519	159,749
FUND BALANCE, JULY 1, 2003	<u>216,989</u>	<u>216,989</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 335,759</u>	<u>\$ 495,508</u>	<u>\$ 159,749</u>

GREEN OAK TOWNSHIP
FIRE FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES			
Wages - chief	\$	\$ 57,115	\$
Wages - deputy		40,731	
Wages - clerical		29,306	
Wages - fire inspector		35,359	
Wages - vacation payout		260	
Wages - firemen		163,022	
Payroll taxes		25,720	
Health insurance		32,678	
Life and disability insurance		2,389	
Pension		18,837	
Office supplies		2,806	
Contracted services		16,259	
Dues		4,675	
Schools and training		11,179	
Telephone		8,642	
Radio maintenance		2,387	
Contract reimbursement		1,685	
Gasoline and oil		9,632	
Publications		474	
General insurance		31,346	
Workers compensation insurance		12,631	
Fuel and heat		8,396	
Electricity		8,890	
Operating supplies		30,572	
Maintenance supplies		1,125	
Lawn and snow maintenance		911	
Office equipment repairs		142	
Building repairs		4,405	
Operational equipment repair		2,062	
Vehicle repairs		19,354	
Uniforms		1,475	
EMS grant expense		45,652	
Medical supplies		4,511	
Miscellaneous		4,419	
Cleaning services		3,579	
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	\$ 718,275	\$ 642,626	\$ 75,649

SPECIAL FIRE
CAPITAL
FUND

GREEN OAK TOWNSHIP
SPECIAL FIRE CAPITAL FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash

\$ 38,434

Accounts receivable

3,763

Total assets

\$ 42,197

FUND BALANCE

FUND BALANCE

\$ 42,197

GREEN OAK TOWNSHIP
SPECIAL FIRE CAPITAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Interest income	\$	\$ 1,609	\$ 1,609
EXPENDITURES			
Small equipment		46,068	
Capital outlay		137,265	
Miscellaneous expense		34	
Total expenditures	<u>214,002</u>	<u>183,367</u>	<u>30,635</u>
Excess of revenues over (under) expenditures	(214,002)	(181,758)	32,244
OTHER FINANCING (USES)			
Transfers (out)	<u>(55,594)</u>	<u>(55,594)</u>	
Excess of revenues over (under) expenditures and other financing (uses)	(269,596)	(237,352)	32,244
FUND BALANCE, JULY 1, 2003	<u>279,549</u>	<u>279,549</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 9,953</u>	<u>\$ 42,197</u>	<u>\$ 32,244</u>

FIRE CAPITAL VEHICLE
AND EQUIPMENT
FUND

GREEN OAK TOWNSHIP
FIRE CAPITAL VEHICLE AND EQUIPMENT FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash	\$ 263,531
Accounts receivable	<u>1,970</u>

Total assets

\$ 265,501

FUND BALANCE

FUND BALANCE

\$ 265,501

GREEN OAK TOWNSHIP
FIRE CAPITAL VEHICLE AND EQUIPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest income	\$ 6,000	\$ 1,422	\$ (4,578)
EXPENDITURES			
Debt repayments - principal		160,389	
Debt repayments - interest		43,534	
Miscellaneous		27	
Total expenditures	<u>204,050</u>	<u>203,950</u>	<u>100</u>
Excess of revenues over (under) expenditures	(198,050)	(202,528)	(4,478)
OTHER FINANCING SOURCES			
Transfer in	<u>255,594</u>	<u>257,316</u>	<u>1,722</u>
Excess of revenues over (under) expenditures and other financing sources	57,544	54,788	(2,756)
FUND BALANCE, JULY 1, 2003	<u>210,713</u>	<u>210,713</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 268,257</u>	<u>\$ 265,501</u>	<u>\$ (2,756)</u>

SPECIAL
POLICE
FUND

GREEN OAK TOWNSHIP
SPECIAL POLICE FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash	\$ 98,816
Taxes receivable	25,432
Prepaid expenditures	<u>5,161</u>

Total assets	<u>\$ 129,409</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 9,662
Accrued wages, vacation and sick pay	<u>8,554</u>

Total liabilities	\$ 18,216
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FUND BALANCE

<u>111,193</u>

Total liabilities and fund balance	<u>\$ 129,409</u>
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GREEN OAK TOWNSHIP
SPECIAL POLICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Taxes	\$	\$ 1,135,177	\$
Liquor license fees		5,179	
Michigan training grant		2,875	
Fines		29,797	
Service fees		200	
Copies		2,613	
Interest		986	
Cost recovery		19,292	
Vehicle inspections		1,700	
Other revenues		11	
Total revenues	1,135,310	1,197,830	62,520
EXPENDITURES	<u>1,247,650</u>	<u>1,237,042</u>	<u>10,608</u>
Excess of revenues over (under) expenditures	(112,340)	(39,212)	73,128
OTHER FINANCING SOURCES (USES)			
Transfers in	200,000	200,000	
Transfers (out)	<u>(84,000)</u>	<u>(84,000)</u>	
Total other financing sources (uses)	<u>116,000</u>	<u>116,000</u>	
Excess of revenues over (under) expenditures and other financing sources (uses)	3,660	76,788	73,128
FUND BALANCE, JULY 1, 2003	<u>34,405</u>	<u>34,405</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 38,065</u>	<u>\$ 111,193</u>	<u>\$ 73,128</u>

GREEN OAK TOWNSHIP
SPECIAL POLICE FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES			
Salaries	\$	\$ 722,531	\$
Payroll taxes		55,877	
Health insurance		145,755	
Life and disability insurance		7,825	
Pension		89,921	
Office supplies		4,003	
Uniform cleaning		5,355	
Legal fees		8,903	
Contracted services		11,011	
Tax chargebacks		130	
Dues		285	
Schools		1,180	
Training		4,686	
Telephone		8,188	
Mileage		14	
Gasoline and oil		21,783	
General insurance		89,061	
Fuel and heat		2,229	
Electricity		6,162	
Operating supplies		7,351	
Cleaning service		6,000	
Equipment repairs		544	
Building repairs and maintenance		4,922	
Vehicle repairs		20,991	
Lawnnet		3,000	
Uniforms		8,729	
Miscellaneous		606	
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>\$ 1,247,650</u>	<u>\$ 1,237,042</u>	<u>\$ 10,608</u>

POLICE DEPARTMENT
CAPITAL VEHICLE
AND
EQUIPMENT FUND

GREEN OAK TOWNSHIP
POLICE DEPARTMENT CAPITAL VEHICLE AND EQUIPMENT FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash and cash equivalents

\$ 252,195

Taxes receivable

1,970

Total assets

\$ 254,165

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 7,530

FUND BALANCE

246,635

Total liabilities and fund balance

\$ 254,165

GREEN OAK TOWNSHIP
POLICE DEPARTMENT CAPITAL VEHICLE AND EQUIPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Sale of assets	\$	\$ 22,098	\$
Interest income		<u>1,435</u>	
Total revenues		<u>23,533</u>	<u>23,533</u>
EXPENDITURES			
Capital outlay		54,334	
Small equipment		<u>19,940</u>	
Total expenditures	<u>84,000</u>	<u>74,274</u>	<u>9,726</u>
Excess of revenues over (under) expenditures	(84,000)	(50,741)	33,259
OTHER FINANCING SOURCES			
Transfers in	<u>84,000</u>	<u>84,000</u>	
Excess of revenues over expenditures and other financing sources		33,259	33,259
FUND BALANCE, JULY 1, 2003	<u>213,376</u>	<u>213,376</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 213,376</u>	<u>\$ 246,635</u>	<u>\$ 33,259</u>

POLICE
SPECIAL
INVESTIGATION
FUND

GREEN OAK TOWNSHIP
POLICE SPECIAL INVESTIGATION FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS
Cash

\$ 12,939

FUND BALANCE

FUND BALANCE

\$ 12,939

GREEN OAK TOWNSHIP
POLICE SPECIAL INVESTIGATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES	
Forfeitures	\$ 92
Interest	<u>45</u>
Total revenues	137
EXPENDITURES	<u> </u>
Excess of revenues over (under) expenditures	137
FUND BALANCE, JULY 1, 2003	<u>12,802</u>
FUND BALANCE, JUNE 30, 2004	<u>\$ 12,939</u>

BUDGET
STABILIZATION
FUND

GREEN OAK TOWNSHIP
BUDGET STABILIZATION FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS
Cash

\$ 289,686

FUND BALANCE

FUND BALANCE

\$ 289,686

GREEN OAK TOWNSHIP
BUDGET STABILIZATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES	\$ 2,078
Interest	
EXPENDITURES	<u> </u>
Excess of revenues over expenditures	2,078
FUND BALANCE, JULY 1, 2003	<u>287,608</u>
FUND BALANCE, JUNE 30, 2004	<u>\$ 289,686</u>

STORM WATER
FUND

GREEN OAK TOWNSHIP
STORM WATER FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS
Cash

\$ 8,563

FUND BALANCE

FUND BALANCE

\$ 8,563

GREEN OAK TOWNSHIP
STORM WATER FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES	
Interest	\$ 7
EXPENDITURES	
Project costs	<u>6,444</u>
Excess of revenues (under) expenditures	(6,437)
OTHER FINANCING SOURCES	
Transfers in	<u>15,000</u>
Excess of revenues over expenditures and other financing sources	8,563
FUND BALANCE, JULY 1, 2003	<u> </u>
FUND BALANCE, JUNE 30, 2004	<u>\$ 8,563</u>

ROAD
IMPROVEMENT
FUND

GREEN OAK TOWNSHIP
ROAD IMPROVEMENT FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS
Cash

\$ 486,074

FUND BALANCE

FUND BALANCE

\$ 486,074

GREEN OAK TOWNSHIP
ROAD IMPROVEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES		
Interest		\$ 6,373
EXPENDITURES		<u> </u>
Excess of revenues over expenditures		6,373
OTHER FINANCING SOURCES (USES)		
Transfers in	49,078	
Transfers (out)	<u>(150,000)</u>	
Total other financing sources (uses)		<u>(100,922)</u>
Excess of revenues over expenses and other financing sources (uses)		(94,549)
FUND BALANCE, JULY 1, 2003		<u>580,623</u>
FUND BALANCE, JUNE 30, 2004		<u>\$ 486,074</u>

LAND
DEVELOPMENT
FUND

GREEN OAK TOWNSHIP
LAND DEVELOPMENT FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS
Cash

\$ 23,490

LIABILITIES AND FUND BALANCE

LIABILITIES
Accounts payable

\$ 18,937

FUND BALANCE

4,553

Total liabilities and fund balance

\$ 23,490

GREEN OAK TOWNSHIP
LAND DEVELOPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES	
Interest	\$ 1,300
Miscellaneous	<u>392</u>
Total revenues	1,692
EXPENDITURES	
Capital outlay	<u>378,705</u>
Excess of revenues (under) expenditures	(377,013)
OTHER FINANCING SOURCES	
Transfers in	<u>150,000</u>
Excess of revenues (under) expenditures and other financing sources	(227,013)
FUND BALANCE, JULY 1, 2003	<u>231,566</u>
FUND BALANCE, JUNE 30, 2004	<u>\$ 4,553</u>

SILVER FOX
TRAIL PAVING
FUND

GREEN OAK TOWNSHIP
SILVER FOX TRAIL PAVING FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Special assessment receivable

\$ 57,217

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable
Due to other funds

\$ 48,426
5,207

Total liabilities

\$ 53,633

FUND BALANCE

3,584

Total liabilities and fund balance

\$ 57,217

GREEN OAK TOWNSHIP
SILVER FOX TRAIL PAVING FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES	\$ 57,217
Special assessments	
EXPENDITURES	
Project costs	<u>53,633</u>
Excess of revenues over expenditures	3,584
FUND BALANCE, JULY 1, 2003	<u> </u>
FUND BALANCE, JUNE 30, 2004	<u><u>\$ 3,584</u></u>

RIVERSIDE DRIVE
ROAD MAINTENANCE
FUND

GREEN OAK TOWNSHIP
RIVERSIDE DRIVE - ROAD MAINTENANCE FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS
Cash

\$ 3,574

FUND BALANCE

FUND BALANCE

\$ 3,574

GREEN OAK TOWNSHIP
RIVERSIDE DRIVE - ROAD MAINTENANCE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES

Taxes	\$ 4,478
Interest	<u>24</u>

Total revenues	4,502
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EXPENDITURES

Road project costs	<u>5,368</u>
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Excess of revenues over (under) expenditures	(866)
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FUND BALANCE, JULY 1, 2003	<u>4,440</u>
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FUND BALANCE, JUNE 30, 2004	<u><u>\$ 3,574</u></u>
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STREET LIGHT
FUND

GREEN OAK TOWNSHIP
STREET LIGHT FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash

\$ 246

Taxes receivable

14,017

Total assets

\$ 14,263

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 547

FUND BALANCE

13,716

Total liabilities and fund balance

\$ 14,263

GREEN OAK TOWNSHIP
STREET LIGHT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES		
Special assessments	\$	14,017
Interest		<u>38</u>
Total revenues		14,055
EXPENDITURES		
Utilities		<u>14,235</u>
Excess of revenues over (under) expenditures		(180)
FUND BALANCE, JULY 1, 2003		<u>13,896</u>
FUND BALANCE, JUNE 30, 2004	\$	<u><u>13,716</u></u>

METRO ACT
FUND

GREEN OAK TOWNSHIP
METRO ACT FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS
Cash

\$ 11,563

FUND BALANCE

FUND BALANCE

\$ 11,563

GREEN OAK TOWNSHIP
METRO ACT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES

Maintenance fee
Interest income

\$ 9,294
2

Total revenues

\$ 9,296

EXPENDITURES

Excess of revenues over expenditures

9,296

FUND BALANCE, JULY 1, 2003

2,267

FUND BALANCE, JUNE 30, 2004

\$ 11,563

ORE LAKE
DEBT SERVICE
FUND

GREEN OAK TOWNSHIP
ORE LAKE DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES

Interest

\$

EXPENDITURES

Miscellaneous

6

Excess of revenues (under) expenditures

(6)

FUND BALANCE, JULY 1, 2003

6

FUND BALANCE, JUNE 30, 2004

\$

BRIGGS LAKE
DEBT SERVICE
FUND

GREEN OAK TOWNSHIP
BRIGGS LAKE DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES	\$	
EXPENDITURES		
Miscellaneous		<u>4</u>
Excess of revenues (under) expenditures		(4)
FUND BALANCE, JULY 1, 2003		<u>4</u>
FUND BALANCE, JUNE 30, 2004	\$	<u><u> </u></u>

VIKING LANE
DEBT SERVICE
FUND

GREEN OAK TOWNSHIP
VIKING LANE DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash	\$ 14,732
Special assessment receivable	
Current	5,500
Deferred	<u>6,325</u>

Total assets		<u>\$ 26,557</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred revenues	\$ 11,825
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FUND BALANCE - DESIGNATED FOR DEBT SERVICE	<u>14,732</u>
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Total liabilities and fund balance	<u>\$ 26,557</u>
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GREEN OAK TOWNSHIP
VIKING LANE DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES

Special assessment	\$ 6,560
Interest	<u>105</u>

Total revenues	<u>6,665</u>
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EXPENDITURES

Administrative	301
Debt service - principal	8,000
Debt service - interest	<u>1,224</u>

Total expenditures	<u>9,525</u>
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Excess of revenues (under) expenditures	(2,860)
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FUND BALANCE, JULY 1, 2003	<u>17,592</u>
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FUND BALANCE, JUNE 30, 2004	<u><u>\$ 14,732</u></u>
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PHEASANT LAKE
DEBT SERVICE
FUND

GREEN OAK TOWNSHIP
PHEASANT LAKE DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash	\$ 46,134
Special assessment receivable	
Current	11,827
Deferred	<u>69,964</u>

Total assets		<u>\$ 127,925</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred revenues	\$ 81,791
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FUND BALANCE - DESIGNATED FOR DEBT SERVICE	<u>46,134</u>
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Total liabilities and fund balance	<u>\$ 127,925</u>
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GREEN OAK TOWNSHIP
PHEASANT LAKE DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES

Special assessments	\$ 24,950
Interest	<u>242</u>

Total revenues	<u>25,192</u>
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EXPENDITURES

Administrative	300
Debt service - principal	10,000
Debt service - interest	<u>7,312</u>

Total expenditures	<u>17,612</u>
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Excess of revenues over expenditures	7,580
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FUND BALANCE, JULY 1, 2003	<u>38,554</u>
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FUND BALANCE, JUNE 30, 2004	<u>\$ 46,134</u>
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BUILDING AUTHORITY
DEBT SERVICE
FUND

GREEN OAK TOWNSHIP
BUILDING AUTHORITY DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS
Cash

\$ 7,503

FUND BALANCE

FUND BALANCE - DESIGNATED FOR DEBT SERVICE

\$ 7,503

GREEN OAK TOWNSHIP
BUILDING AUTHORITY DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES

Rental income	\$ 181,888
Interest income	<u>72</u>

Total revenues	<u>181,960</u>
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EXPENDITURES

Debt service - principal	80,000
Debt service - interest	<u>102,463</u>

Total expenditures	<u>182,463</u>
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Excess of revenues (under) expenditures	(503)
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FUND BALANCE, JULY 1, 2003	<u>8,006</u>
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FUND BALANCE, JUNE 30, 2004	<u>\$ 7,503</u>
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SEWER
IMPROVEMENT
CAPITAL PROJECTS FUND

GREEN OAK TOWNSHIP
SEWER IMPROVEMENT
CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash

\$ 14,636

Certificate of deposit

78,320

Total assets

\$ 92,956

FUND BALANCE

FUND BALANCE

\$ 92,956

GREEN OAK TOWNSHIP
SEWER IMPROVEMENT
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES

Interest

\$ 1,105

EXPENDITURES

Project costs

Excess of revenues over expenditures

1,105

FUND BALANCE, JULY 1, 2003

91,851

FUND BALANCE, JUNE 30, 2004

\$ 92,956

CENTENNIAL FARMS
CAPITAL PROJECTS
FUND

GREEN OAK TOWNSHIP
CENTENNIAL FARMS CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS
Cash

\$ 47,858

LIABILITIES AND FUND BALANCE

LIABILITIES
Deposits from customers

\$ 40,237

FUND BALANCE

7,621

Total liabilities and fund balance

\$ 47,858

GREEN OAK TOWNSHIP
CENTENNIAL FARMS CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES	
Interest	\$ 290
EXPENDITURES	<u> </u>
Excess of revenues over expenditures	290
FUND BALANCE JULY 1, 2003	<u>7,331</u>
FUND BALANCE, JUNE 30, 2004	<u><u>\$ 7,621</u></u>

BUILDING AUTHORITY
CAPITAL PROJECTS
FUND

GREEN OAK TOWNSHIP
BUILDING AUTHORITY CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES	\$	
EXPENDITURES		
Miscellaneous		<u>1</u>
Excess of revenues (under) expenditures		(1)
FUND BALANCE, JULY 1, 2003		<u>1</u>
FUND BALANCE, JUNE 30, 2004	\$	<u><u> </u></u>

WATER SYSTEM
CAPITAL PROJECTS
FUND

GREEN OAK TOWNSHIP
WATER SYSTEM CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash and cash equivalents	\$ 653,008
Special assessments receivable	<u>6,437,040</u>

Total assets	<u>\$ 7,090,048</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 2,095
Deferred revenues	<u>6,437,040</u>

Total liabilities	\$ 6,439,135
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FUND BALANCE

<u>650,913</u>

Total liabilities and fund balance	<u>\$ 7,090,048</u>
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GREEN OAK TOWNSHIP
WATER SYSTEM CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES

Special assessments	\$ 477,018
Interest	19,546
Connection charges	<u>20,151</u>

Total revenues	\$ 516,715
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EXPENDITURES

Water system project costs	5,368,910
Publication	1,500
Miscellaneous	1,470
Debt service	
Principal	125,000
Interest	<u>218,052</u>

Total expenditures	<u>5,714,932</u>
--------------------	------------------

Excess of revenues (under) expenditures	(5,198,217)
---	-------------

OTHER FINANCING SOURCES

Bond proceeds	<u>6,025,000</u>
---------------	------------------

Excess of revenues over (under) expenditures and other financing sources	826,783
---	---------

FUND BALANCE, JULY 1, 2003 (deficit)	<u>(175,870)</u>
--------------------------------------	------------------

FUND BALANCE, JUNE 30, 2004	<u>\$ 650,913</u>
-----------------------------	-------------------

SAXONY
WATER
FUND

GREEN OAK TOWNSHIP
SAXONY WATER FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

CURRENT ASSETS

Cash	\$ 154,449	
Accounts receivable	<u>22,089</u>	

Total current assets		\$ 176,538
----------------------	--	------------

PROPERTY AND EQUIPMENT

Water system donated by contractor	123,000	
Improvements to water system	26,537	
Water tower	<u>140,705</u>	
	290,242	
Less: accumulated depreciation	<u>(111,852)</u>	

Net property and equipment		<u>178,390</u>
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Total assets		<u>\$ 354,928</u>
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LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$ 758	
Due to other fund	<u>3,152</u>	

Total liabilities		\$ 3,910
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FUND EQUITY

Retained earnings		<u>351,018</u>
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Total liabilities and fund equity		<u>\$ 354,928</u>
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GREEN OAK TOWNSHIP
SAXONY WATER FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2004

OPERATING REVENUES

Water sales \$ 56,046

OPERATING EXPENSES

Contract services	26,059
Repair and maintenance	7,433
Insurance	3,152
Telephone	249
Utilities	7,670
Miscellaneous	767
Operating supplies	9,142
Depreciation	<u>3,996</u>

Total operating expenses 58,468

Operating (loss) (2,422)

NON-OPERATING REVENUE

Interest income 1,873

Net (loss) (549)

RETAINED EARNINGS, JULY 1, 2003 351,567

RETAINED EARNINGS, JUNE 30, 2004 \$ 351,018

GREEN OAK TOWNSHIP
SAXONY WATER FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2004

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES

Cash received from customers	\$ 55,142
Cash payments to suppliers	<u>(56,020)</u>

Net cash (used in) operating activities	(878)
---	-------

CASH FLOWS FROM INVESTING ACTIVITIES

Interest on cash	<u>1,873</u>
------------------	--------------

Net increase in cash and cash equivalents	995
---	-----

CASH AND CASH EQUIVALENTS AT JULY 1, 2003	<u>153,454</u>
---	----------------

CASH AND CASH EQUIVALENTS AT JUNE 30, 2004	<u>\$ 154,449</u>
--	-------------------

CENTENNIAL
FARMS
FUND

GREEN OAK TOWNSHIP
CENTENNIAL FARMS FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS
Cash

\$ 5,651

LIABILITIES

LIABILITIES
Accounts payable

\$ 5,651

GREEN OAK TOWNSHIP
CENTENNIAL FARMS FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2004

OPERATING REVENUES

Charges to contractor	\$ 37,653
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OPERATING EXPENSES

Legal fees	\$ 125
Contracted services	17,630
Utilities	4,298
Operating supplies	4,310
Operational equipment repair	9,125
Telephone	261
Miscellaneous	<u>1,926</u>

Total operating expenses	<u>37,675</u>
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Operating (loss)	(22)
------------------	------

NON-OPERATING REVENUE

Interest income	<u>22</u>
-----------------	-----------

Net income

RETAINED EARNINGS, JULY 1, 2003

RETAINED EARNINGS, JUNE 30, 2004

\$

GREEN OAK TOWNSHIP
CENTENNIAL FARMS FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2004

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES

Cash received from users	\$ 37,563
Cash payments to vendors	<u>(34,677)</u>

Net cash from operating activities	\$ 2,886
------------------------------------	----------

CASH FLOWS FROM INVESTING ACTIVITIES

Interest on cash	<u>22</u>
------------------	-----------

Net increase in cash and cash equivalents	2,908
---	-------

CASH AND CASH EQUIVALENTS AT JULY 1, 2003	<u>2,743</u>
---	--------------

CASH AND CASH EQUIVALENTS AT JUNE 30, 2004	<u><u>\$ 5,651</u></u>
--	------------------------

REICK'S FARMS
FUND

GREEN OAK TOWNSHIP
REICK'S FARMS FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash \$ 21,432

Accounts receivable 1,594

Total assets \$ 23,026

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable \$ 812

FUND EQUITY

Retained earnings 22,214

Total liabilities and fund equity \$ 23,026

GREEN OAK TOWNSHIP
REICK'S FARMS FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2004

OPERATING REVENUES		
Sewer billing		\$ 5,169
OPERATING EXPENSES		
Contract services	\$ 3,429	
Utilities	160	
Miscellaneous	<u>161</u>	
Total operating expenses		<u>3,750</u>
Operating income		1,419
NON-OPERATING REVENUES		
Interest income		<u>129</u>
Net income		1,548
RETAINED EARNINGS, JULY 1, 2003		<u>20,666</u>
RETAINED EARNINGS, JUNE 30, 2004		<u>\$ 22,214</u>

GREEN OAK TOWNSHIP
REICK'S FARM FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2004

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES

Cash from users	\$	5,177
Cash paid to suppliers		<u>(2,938)</u>

Net cash from operating activities		2,239
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest		<u>129</u>
----------	--	------------

Net increase in cash and cash equivalents		2,368
---	--	-------

CASH AND CASH EQUIVALENTS AT JULY 1, 2003		<u>19,064</u>
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CASH AND CASH EQUIVALENTS AT JUNE 30, 2004	\$	<u><u>21,432</u></u>
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HIDDEN LAKE SEWER
FUND

GREEN OAK TOWNSHIP
HIDDEN LAKE SEWER FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 238,056
Accounts receivable - operations	<u>6,874</u>

Total current assets	\$ 244,930
----------------------	------------

RESTRICTED ASSETS

Cash and cash equivalents - capital	\$ 473,585
Cash and cash equivalents - debt service	649,982
Special assessments receivable	<u>8,106,542</u>

Total restricted assets	9,230,109
-------------------------	-----------

PROPERTY AND EQUIPMENT

Land	368,294
Equipment	1,267
Sewer system	8,526,345
Less: accumulated depreciation	<u>(830,330)</u>

Net property and equipment	<u>8,065,576</u>
----------------------------	------------------

Total assets	<u>\$ 17,540,615</u>
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LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 5,027
------------------	----------

CURRENT LIABILITIES (from restricted assets)

Special assessment bonds payable	330,000
Accrued interest	<u>72,249</u>

Total current liabilities (from restricted assets)	402,249
---	---------

LONG-TERM LIABILITY (from restricted assets)

Special assessment bonds payable	<u>7,985,000</u>
----------------------------------	------------------

Total liabilities	8,392,276
-------------------	-----------

FUND EQUITY

Retained earnings - reserved	<u>9,148,339</u>
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Total liabilities and fund equity	<u>\$ 17,540,615</u>
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GREEN OAK TOWNSHIP
HIDDEN LAKE SEWER FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2004

OPERATING REVENUES		
User charges		\$ 25,377
OPERATING EXPENSES		
Contract labor - operations	39,696	
Legal fees	390	
Telephone	30	
Utilities	1,087	
Supplies	2,855	
Repairs and maintenance	1,075	
Depreciation	213,411	
Permit fees	3,650	
Miscellaneous	1,924	
Publications	<u>1,693</u>	
Total operating expenses		<u>265,811</u>
Operating (loss)		(240,434)
NON-OPERATING REVENUE AND EXPENSES		
Interest income - cash	14,613	
Interest income - assessments	547,233	
Interest expense - bonds	<u>(448,174)</u>	
Total non-operating revenues		<u>113,672</u>
Net (loss)		(126,762)
RETAINED EARNINGS, JULY 1, 2003		<u>9,275,101</u>
RETAINED EARNINGS, JUNE 30, 2004		<u>\$ 9,148,339</u>

GREEN OAK TOWNSHIP
HIDDEN LAKE SEWER FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2004

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Cash from users	\$ 24,796	
Cash payments to suppliers	<u>(48,429)</u>	
Net cash (used in) operating activities		\$ (23,633)
CASH FLOWS FROM (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisitions of assets	(368,294)	
Repayment on principal on bonds	(330,000)	
Special assessment collections	401,953	
Interest received from assessments	547,233	
Interest paid on bonds	<u>(451,110)</u>	
Net cash (used in) capital and related financing activities		(200,218)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on cash and equivalents		<u>14,613</u>
Net (decrease) in cash and cash equivalents		(209,238)
CASH AND CASH EQUIVALENTS AT JULY 1, 2003		<u>1,570,861</u>
CASH AND CASH EQUIVALENTS AT JUNE 30, 2004		<u>\$ 1,361,623</u>

TRI-LAKES
SEWER DISTRICT
FUND

GREEN OAK TOWNSHIP
TRI-LAKES SEWER DISTRICT FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

RESTRICTED ASSETS

Cash and cash equivalents - capital	\$ 4,767,379
Cash and cash equivalents - debt service	1,130,606
Special assessment receivable	<u>13,422,129</u>

Total current assets	\$ 19,320,114
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PROPERTY AND EQUIPMENT

Land	2,394,933
Construction in progress	<u>7,038,070</u>

Total property and equipment	9,433,003
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OTHER ASSETS

Bond discount, net	<u>51,186</u>
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Total assets	<u>\$ 28,804,303</u>
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LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES (from restricted assets)

Bonds payable	\$ 500,000
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LONG-TERM LIABILITIES (from restricted assets)

Bonds payable	<u>12,935,000</u>
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Total liabilities	13,435,000
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FUND EQUITY

Retained earnings	<u>15,369,303</u>
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Total liabilities and fund equity	<u>\$ 28,804,303</u>
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GREEN OAK TOWNSHIP
TRI-LAKES SEWER DISTRICT FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2004

OPERATING REVENUES	\$ _____
NON-OPERATING REVENUES AND (EXPENSES)	
Special assessment levied	6,455,043
Interest income	141,046
Interest income - bond assessment	<u>520,200</u>
Total non-operating revenues	<u>7,116,289</u>
Net income	7,116,289
RETAINED EARNINGS, JULY 1, 2003	<u>8,253,014</u>
RETAINED EARNINGS, JUNE 30, 2004	<u>\$ 15,369,303</u>

GREEN OAK TOWNSHIP
TRI-LAKES SEWER DISTRICT FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2004

CASH FLOWS FROM (USED IN) CAPITAL
AND FINANCING INVESTING ACTIVITIES

Special assessments collected - principal and interest	\$ 1,299,498
Bonds proceeds	13,645,700
Repayment of bonds	(975,000)
Acquisition of assets	<u>(8,509,727)</u>

Net cash from investing activities \$ 5,460,471

CASH FLOWS FROM INVESTING FINANCING ACTIVITIES

Interest on cash 141,046

Net increase in cash and cash equivalents 5,601,517

CASH AND CASH EQUIVALENTS AT JULY 1, 2003 296,468

CASH AND CASH EQUIVALENTS AT JUNE 30, 2004 \$ 5,897,985

CURRENT
TAX
COLLECTION
FUND

GREEN OAK TOWNSHIP
CURRENT TAX COLLECTION FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS
Cash

\$ 1,202

LIABILITIES

LIABILITIES
Due to other funds

\$ 1,202

TRUST
AND
AGENCY
FUND

GREEN OAK TOWNSHIP
TRUST AND AGENCY FUND
BALANCE SHEET
JUNE 30, 2004

ASSETS

ASSETS

Cash	\$ 86,331
Certificate of deposit	<u>146,423</u>

Total assets	<u>\$ 232,754</u>
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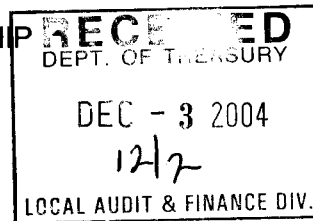
LIABILITIES

LIABILITIES

Due to other funds	\$ 609
Due to others	<u>232,145</u>

Total liabilities	<u>\$ 232,754</u>
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GREEN OAK TOWNSHIP



COMMENTS
AND
RECOMMENDATIONS

FOR THE YEAR ENDED JUNE 30, 2004



PFEFFER • HANNIFORD • PALKA
Certified Public Accountants

John M. Pfeffer, C.P.A.
Patrick M. Hanniford, C.P.A.
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September 22, 2004

Board of Trustees
Green Oak Township
10789 Silver Lake Road
South Lyon, Michigan 48178

Honorable Board of Trustees:

In planning and performing our audit of the financial statements of Green Oak Township for the year ended June 30, 2004, we considered the Township's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. Those matters are as follows:

1. COMMENT

We found instances in which the Township made purchases which included sales tax.

RECOMMENDATION

The Township should evaluate all invoices to determine if sales tax is being charged.

2. COMMENT

For the year ended June 30, 2004, we found an instance where expenditures exceeded budget appropriations. There are also special revenue funds without adopted budgets.

RECOMMENDATION

Before an actual expenditure exceeds the appropriated budget, the budget should be amended. Budgets are required for all special revenue funds pursuant to Public Act 493 of 2000.

3. COMMENT

An instance was noted in which payments were made from statements, not invoices.

RECOMMENDATION

The Township should carefully examine all expenditures and authorize payments on approved original invoices.

4. COMMENT

There were instances where the Trust and Agency Fund's activities were not being maintained regularly and delinquent personal taxes were not being distributed timely.

RECOMMENDATION

The activities of this fund should be reconciled monthly to the general ledger and accurate detail supporting these activities.

5. COMMENT

It was noted that electronic funds transfers were being made to vendors without a policy or board approval in place to do so.

RECOMMENDATION

The board should adopt a policy or give approval authorizing this to be done.

This letter does not affect our report dated September 22, 2004, on the financial statements of Green Oak Township.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and recommendations with various Township personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This report is intended solely for the information and use of the Board of Trustees, and management of Green Oak Township and is not intended to be and should not be used by anyone other than the specified parties.

Pfeffer, Hanniford & Palka

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants